

attended a meeting of the MWL Constituent Council in Saudi Arabia and delivered a speech on behalf of King Fahd:

Since its unification under King Abdel Aziz, may God grant him mercy, the kingdom of Saudi Arabia has devoted its concern to Muslim affairs, and proffered its hand to assist Muslims wherever they may be....the kingdom has sponsored many such conferences and meetings. Foremost amongst them, is the Muslim World League which today we regard—thanks be to God—as an outstanding Muslim body devoted to the spreading of the Islamic call...Islamic unity must be cornerstone of co-operation to which we aspire. It's the source of strength, and the secret of our potency.⁷⁷

Muhammad Ibn Ibrahim Ibn Uthman Ibn Jubair was Chairman of the Saudi Shura Council⁷⁸ and a member of the MWL Jurisprudence Council until he died in January, 2002.⁷⁹ The Deputy Chairman of the Saudi Shura Council, Dr. Abdullah Naseef, is a former Secretary General of the MWL.⁸⁰

On its current website, MWL lists its main objectives as “to disseminate Islamic Dawah and expound the teachings of Islam. To defend Islamic causes in a manner that safeguards the interests and aspirations of Muslims, solves their problems, refutes false allegations against Islam, and repels inimical trends and dogma which the enemies of Islam seek to exploit in order to destroy the unity of Muslims and to sow seeds of doubt in our Muslim brethren.”⁸¹

There have been credible reports and intelligence that MWL has assisted Islamic militants with financial and organizational assistance. According to intelligence sources, bin Laden’s mentor, Shaykh Abdallah Azzam, was first sponsored by the Muslim World League in the early 1980’s to open and head a relief agency in Peshawar, Pakistan that would aid arriving Arab-Afghan warriors.⁸² The Peshawar MWL branch office was also led for a time by Wa’il Jalaidan.⁸³ The Peshawar office was financed by Osama bin Laden, and later was subsidized by large donations from the Kingdom of Saudi Arabia.⁸⁴ In addition, the Egyptian MWL branch office served as the “third route to the Al-Ansar House in Jeddah,” one of Bin Laden’s “guest houses” used to funnel recruits to terrorist training camps.⁸⁵

In February 2000, Jalaidan was appointed to the Board of Trustees of the Rabita Trust (another financial arm of MWL in Pakistan) and served as its Director

⁷⁷ *Ain al-Yaqeen*, “At the Opening of the Muslim World League Meeting: The Custodian of the Two Holy Places Calls for Islamic Solidarity to Overcome Obstacles,” December 15, 1997.

⁷⁸ http://www.saudiembassy.net/gov_profile/consult.html, accessed July 29, 2003.

⁷⁹ http://www.saudiembassy.net/gov_profile/consult.html, accessed July 29, 2003.

⁸⁰ <http://www.saudia-online.com/Shura%20Council.htm>.

⁸¹ “About the Muslim World League.” <http://www.arab.net/mwl/about.htm>.

⁸² Muhammad, Basil. *Al-Ansaru'l'Arab fi Afghanistan*. The Committee for Islamic Benevolence Publications; ©1991. Page 193.

⁸³ *Rose Al-Yusif*, “Usama BinLaden - A Millionair[sic] Finances Extremism in Egypt and Saudi Arabia,” May 17, 1993.

⁸⁴ Muhammad, Basil. *Al-Ansaru'l'Arab fi Afghanistan*. The Committee for Islamic Benevolence Publications; ©1991. Page 193.

⁸⁵ *Rose Al-Yusif*, “Usama BinLaden - A Millionair[sic] Finances Extremism in Egypt and Saudi Arabia,” May 17, 1993.

General.⁸⁶ Soon thereafter, U.S. officials sent a confidential memorandum to UN police forces in southeastern Europe titled “Secret: US office only-Release to UNMIK [the U.N. administration in Kosovo].”⁸⁷ The document named MWL representative Wael Jalaidan as an associate of Osama bin Laden and stated that Jalaidan had directly assisted bin Laden’s efforts to “move money and men to and from the Balkans.”⁸⁸ MWL’s Rabita Trust itself was named a Specially Designated Global Terrorist (SDGT) Organization by the U.S. government on October 12, 2001.⁸⁹

The International Islamic Relief Organization (IIRO) in Saudi Arabia

The IIRO was established in 1978 and is headquartered in Jeddah, Saudi Arabia.⁹⁰ IIRO is a major financial branch of the Muslim World League (MWL). According to Dr. Ahmed Mohammed Ali, Secretary General of the MWL, the MWL provides “humanitarian assistance” through the arms of IIRO.⁹¹

According to Dr. Farid Qurashi, IIRO’s former general supervisor,⁹² “IIRO was the first relief organization to enter Bosnia-Herzegovina and the Balkan region. From the very beginning of the Bosnia war, we were there to help.”⁹³ According to a Serbian news source, IIRO in Bosnia (AKA “IGASA,”) was managed primarily by three men: Abdel Aziz Zaher (AKA Abu Anas), Jamal Al-Jibouri (AKA Abu Mahmoud al-Iraqi), and Djamel Lamrani (AKA Abu Musab al-Djazairi). Zaher was expelled from his residence in Belgrade at the beginning of 1993 after being tied not only to IIRO, but also to two other international Muslim organizations suspected of aiding armed fundamentalist militant groups: *Al-Rabita Al-Alami Al-Islamiyya* (the Muslim World League) and the Sanabil Relief Agency. During the following Serb official inquiry into Zaher, investigators reportedly discovered PLO Force 17 terrorist training manuals in the Belgrade offices of Sanabil Relief.

As reported by one Serbian news source, beginning in 1992, Zaher’s top lieutenant at IIRO, Jamal Al-Jibouri was allegedly personally responsible for general oversight of a massive logistics operation to provide Muslim militants in the Balkans with weapons and ammunition.⁹⁴ According to documents published by one Serbian website, www.truthinmedia.org Serb troops had found an IIRO identification card on the body of a killed Arab-Afghan guerilla in Bosnia.⁹⁵ According to *Compass Newswire* At the time, the IIRO issuing bureau in Peshawar was being run by senior Egyptian *Al-*

⁸⁶ Office of Public Affairs, United States Treasury Department. “Treasury Department Statement on the Designation of Wa’el Hamza Julidan.” September 6, 2002. Document #PO-3397.

⁸⁷ Cited in news report by [British Broadcasting Company \(BBC\)](http://www.bbc.co.uk). April 3, 2000.

⁸⁸ Cited in news report by [British Broadcasting Company \(BBC\)](http://www.bbc.co.uk). April 3, 2000.

⁸⁹ Office of Public Affairs, United States Treasury Department. “Treasury Department Statement on the Designation of Wa’el Hamza Julidan.” September 6, 2002. Document #PO-3397.

⁹⁰ “IIRO – Welcome.” <http://www.arab.net/iro>.

⁹¹ [Moneycips](http://www.moneycips.com), “Counter anti-Islam propaganda, says MWL sec-general,” May 6, 1995.

⁹² [Moneycips](http://www.moneycips.com), “IIRO saves forty thousand Bosnians from starvation” July 4, 1993.

⁹³ [Moneycips](http://www.moneycips.com), “IIRO saves forty thousand Bosnians from starvation” July 4, 1993.

⁹⁴ *Vечерње Novosti* (Belgrade), “Bombs in the Name of the Almighty: Part II,” September 27, 2001.

⁹⁵ www.truthinmedia.org/images/mujia82-3.jpg, accessed April 2002.

Gama`at Al-Islamiyya terrorist leader Abu Talal al-Qasimy (AKA Talaat Fouad Qassem).⁹⁶

As reported by the BBC, following the 1998 U.S. Embassy bombings in East Africa, IIRO's chapter in Nairobi was deregistered by the government of Kenya for its alleged connection to the terrorists responsible for the devastating blasts.⁹⁷ IIRO's Nairobi office was reregistered in August 1998 by order of Kenya's Supreme Court.⁹⁸

After American forces retaliated for the terror bombings, Indian police arrested a number of suspects attempting to counterstrike on the US consulates in Madras and Calcutta.⁹⁹

- The cell was led by Sayed Abu Nasir,¹⁰⁰ a Bangladeshi national, and receiving orders from Shaykh Ahmed Al-Gamdin, director of IIRO operations in Asia, among others. After graduating from college in Dhaka, Bangladesh, Abu Nasir was employed by IIRO, which eventually transferred him from Thailand to Lahore, Pakistan in 1994.¹⁰¹
- Abu Nasir was informed by his superiors that approximately 40 to 50 percent of IIRO's charitable funds were being diverted to finance terrorist training camps in Afghanistan and Kashmir. As part of his duties, Abu Nasir was to visit the training camps, assess what funding was needed, and make a formal report back at headquarters. Nasir himself was eventually instructed by Shaykh Al-Gamdin to undergo military training at one of the camps, where he met Osama bin Laden.¹⁰²

The southern Philippines IIRO office was established in 1992 and was under the direct control and guidance of Mohammad Jamal Khalifa, the 37-year-old brother-in-law of Osama bin Laden.¹⁰³ According to the Philippine military's southern command, the IIRO local office in Zamboanga City is the prime coordinating center for the Abu Sayyaf organization, a coalition of secessionist Islamic militants in the southern region of the country.¹⁰⁴

- American law enforcement officials detained Khalifa on December 16, 1994 as he attempted to return from San Francisco to the Philippines.¹⁰⁵ Travelling

⁹⁶ Compass Newswire, November 1, 1995.

⁹⁷ BBC, Kenya: NGO Council Official Condemns Deregistration of Islamic NGOs," September 9, 1998.

⁹⁸ Agence France Presse, "Kenya Lifts Ban on Saudi-based Islamic NGOs," December 17, 1998.

⁹⁹ New York Times, "Pakistan Denies Role in Plotting Bombings in India," January 22, 1999.

¹⁰⁰ New York Times, "Pakistan Denies Role in Plotting Bombings in India," January 22, 1999.

¹⁰¹ New York Times, "Anti-U.S. Plot in India Is Foiled; Militant Islamist Intended to Bomb 2 Consulates, Police Say," January 21, 1999.

¹⁰² New York Times, "Anti-U.S. Plot in India Is Foiled; Militant Islamist Intended to Bomb 2 Consulates, Police Say," January 21, 1999.

¹⁰³ Sworn affidavit of FBI Special Agent Robert Walker. United States of America v. Benevolence International Foundation, Inc. April 29, 2002. District of Illinois, Eastern Division. Case number: 02CR0414.

¹⁰⁴ Sworn affidavit of FBI Special Agent Robert Walker. United States of America v. Benevolence International Foundation, Inc. April 29, 2002. District of Illinois, Eastern Division. Case number: 02CR0414.

¹⁰⁵ Sworn affidavit of FBI Special Agent Robert Walker. United States of America v. Benevolence International Foundation, Inc. April 29, 2002. District of Illinois, Eastern Division. Case number: 02CR0414.

with Khalifa on this occasion was Mohamed Loay Bayazid (AKA Abu Rida al-Suri), one of the founders and key international operatives of *Al-Qaeda*.¹⁰⁶

- Khalifa's electronic organizer and personal address book contained entries for intimate associates of Ramzi Yousef, the convicted bombmaker in the February 1993 World Trade Center attack.¹⁰⁷ Investigators also discovered documents on Khalifa "referring to the assassination of bishops and bombings of churches (at a time when evidence gathered in the investigation indicates that...others were planning to kill the Pope during a planned January 1995 visit to the Philippines and after churches had already been bombed in the Philippines in the preceding year)."¹⁰⁸ Four days later, a State Department cable to the American Embassy in Khartoum, Sudan referred to Khalifa as a "known financier of terrorist operations."¹⁰⁹

The Canadian government has stated that IIRO "secretly fund[s] terrorism."¹¹⁰ According to Canadian court documents, Mahmoud Jaballah is a suspected member of Egyptian *Al-Jihad* and he has been jailed in Canada.¹¹¹ Jaballah is accused of having contact with *Al-Qaeda* operatives and spent three years working for the IIRO in Pakistan.¹¹² The Canadian Security and Intelligence Service (CSIS) "believes that Jaballah continues to actively support [Al-Jihad's] terrorist agenda."¹¹³ CSIS concluded that "the degree of Jaballah's dedication to the cause is such that Jaballah would resort to violence and would direct others to resort to violence if he was ordered to do so by leaders such as Osama Bin Laden or Dr. Ayman Al-Zawaheri."¹¹⁴ Jaballah was suspected of cooperating with senior Canadian *Al-Qaeda* lieutenant Ahmad Saeed Khadr (AKA Abdel Rahman Al-Kanadi), considered an influential figure in the international terrorist financing network.¹¹⁵

¹⁰⁶ Sworn affidavit of FBI Special Agent Robert Walker. United States of America v. Benevolence International Foundation, Inc. April 29, 2002. District of Illinois, Eastern Division. Case number: 02CR0414.

¹⁰⁷ Sworn affidavit of FBI Special Agent Robert Walker. United States of America v. Benevolence International Foundation, Inc. April 29, 2002. District of Illinois, Eastern Division. Case number: 02CR0414.

¹⁰⁸ Sworn affidavit of FBI Special Agent Robert Walker. United States of America v. Benevolence International Foundation, Inc. April 29, 2002. District of Illinois, Eastern Division. Case number: 02CR0414.

¹⁰⁹ Sworn affidavit of FBI Special Agent Robert Walker. United States of America v. Benevolence International Foundation, Inc. April 29, 2002. District of Illinois, Eastern Division. Case number: 02CR0414.

¹¹⁰ Evidence introduced by the Canadian government in the Trial of Mahmoud Es-sayy Jaballah

¹¹¹ Respondent's (Moving Party) Motion Record." The Minister of Citizenship and Immigration and Mahmoud Jaballah. Docket: DES-6-99. June 2, 1999. Pages 61-62.

¹¹² Respondent's (Moving Party) Motion Record." The Minister of Citizenship and Immigration and Mahmoud Jaballah. Docket: DES-6-99. June 2, 1999. Pages 61-62.

¹¹³ Respondent's (Moving Party) Motion Record." The Minister of Citizenship and Immigration and Mahmoud Jaballah. Docket: DES-6-99. June 2, 1999. Pages 61-62.

¹¹⁴ Respondent's (Moving Party) Motion Record." The Minister of Citizenship and Immigration and Mahmoud Jaballah. Docket: DES-6-99. June 2, 1999. Page 10.

During Jaballah's immigration trial, Mr. Arafat El-Asahi, the director of IIRO in Canada and a full-time employee of the Muslim World League, testified on Jaballah's behalf.¹¹⁶ El-Asahi admitted that Jaballah had "worked as a Principle of one of our organizations in Pakistan" and that he had been recommended by IIRO's administrators in Pakistan for having "excellent character and good behaviour."¹¹⁷ El-Asahi also offered the following sworn testimony:

Q: During those eight years that you have been with the IIRO here in Canada, have you ever heard anything to the effect that the Canadian government has any concern whatsoever with respect to your office?

A: Let me tell you one thing. The Muslim World League, which is the mother of IIRO, is a fully government funded organization. In other words, I work for the Government of Saudi Arabia. I am an employee of that government. Second, the IIRO is the relief branch of that organization which means that we are controlled in all our activities and plans by the Government of Saudi Arabia. Keep that in mind, please...I am paid by my organization which is funded by the [Saudi] government...The [IIRO] office, like any other office in the world, here or in the Muslim World League, has to abide by the policy of the Government of Saudi Arabia. If anybody deviates from that, he would be fired; he would not work at all with IIRO or with the Muslim World League.¹¹⁸

- One of the most influential members of IIRO's board of directors is Tariq Binladin, a close family relation of Osama bin Laden.
- Mohammed al-Zawahiri, leader of the Egyptian Islamic Jihad's military wing and the brother of Dr. Ayman al-Zawahiri (Bin Laden's personal physician and top advisor), worked and traveled around the world on behalf of IIRO.¹¹⁹
- Western intelligence sources have traced IIRO money transfers to bank accounts in London, England and Amman, Jordan.¹²⁰ That money was subsequently channeled through front groups to Hamas-affiliated organizations in Gaza and the West Bank.¹²¹
- When leaving home, Fayed Ahmed Alshehri, one of the September 11 airline hijackers, told his father he was going to go work for the IIRO.¹²²

Saudi government officials have shown great commitment in their efforts to raise money for IIRO operations. In 1987 IIRO established an office in Saudi Arabia to invest and grow IIRO's charitable operations. That branch is known as *Sanabel Al-Kheer* (Seeds of Charity). IIRO sought to raise SR100 million annually for 10 years, and therefore create

¹¹⁶ Reasons for Order." The Minister of Citizenship and Immigration and Mahmoud Jaballah. Docket: DES-6-99. Federal Court of Canada. November 2, 1999. Pages 81-88.

¹¹⁷ Reasons for Order." The Minister of Citizenship and Immigration and Mahmoud Jaballah. Docket: DES-6-99. Federal Court of Canada. November 2, 1999. Page 85.

¹¹⁸ Reasons for Order." The Minister of Citizenship and Immigration and Mahmoud Jaballah. Docket: DES-6-99. Federal Court of Canada. November 2, 1999. Pages 81-88.

¹¹⁹ Al-Hayat, "Official sources deny reports on UAE's extradition of Islamist," June 7, 2000.

¹²⁰ New York Daily News, "It's More Than Just Who Plants The Explosive," July 31, 1996.

¹²¹ New York Daily News, "It's More Than Just Who Plants The Explosive," July 31, 1996.

¹²² Middle East Newsfile, "Another Saudi 'hijacker' turns up in Tunis," September 18, 2001.

a base capital investment for *Sanabel Al-Kheer* of 1 billion Saudi riyals (\$267 million). IIRO further hoped to generate sufficient profits to cover the costs of IIRO's international operations and make it a self-sufficient entity.¹²³ **Ghazi Mahfooz Felemban**, IIRO Assistant Secretary-General for Finance and Investment, was responsible for fiscal oversight of *Sanabel* and IIRO.¹²⁴

Sanabel Al-Kheer and IIRO hold annual fundraisers. A July 1992 fundraiser for the Muslims of Bosnia in Jeddah was inaugurated by Prince Saud ibn Abdul Mohsen, acting governor of Makkah, and acting chairman of *Sanabel Al-Kheer*. The event raised more than SR19 million in one day. Abdul Mohsen Al-Kayal, chairman of the higher court in Jeddah, told the audience that "donating for a worthy cause is a kind of jihad and Muslims should generously help the Bosnian Muslims." The largest single donors reportedly included Prince Saud ibn Abdul Mohsen and Bakr bin Laden. Dr. Abdullah Omar Naseef (Secretary-General of the Muslim World League) was also at the function.¹²⁵

At a December 1993 fundraising drive to support Bosnian Muslims, IIRO collected SR15 million in less than two hours. Prince Saud ibn Abdul Mohsen spoke as an honorary trustee and noted "the continuous support and encouragement of the Custodian of the Two Holy Mosques King Fahd" in promoting IIRO operations.¹²⁶

At a February 1994 conference IIRO and *Sanabel Al-Kheer* raised SR3.7 million. During his opening speech, Prince Salman Bin Abdul Aziz, Governor of Riyadh, told of how he had personally solicited "donations from a number of benevolent Saudi people" for *Sanabel* and IIRO totalling SR6,979,462.¹²⁷ Responding years later to allegations that Saudi charities were involved in bankrolling terrorism, Prince Salman admitted, "I have...chaired several (charity) groups and I know that (the funds) are used in good deeds, and it is not the responsibility of the kingdom if there were people who turn those good deeds into evil ones."¹²⁸ Shaykh Abdulaziz bin Baz, Mufti of Saudi Arabia, also attended the 1994 IIRO conference.¹²⁹

The 1995 annual fundraiser in Riyadh raised SR8 million (\$2.13 million) in the first day, including SR1 million from Prince Salman bin Abdel Aziz and SR1 million from Prince Al-Waleed bin Talal bin Abdel Aziz.¹³⁰

By 1995, *Sanabel Al-Kheer* had collected an estimated total of SR297 million (\$79.2 million) in total charitable funds since its foundation and had reported SR77.5 in investment revenue from "safe business propositions."¹³¹ According to Dr. Ahmad Muhammad Ali, the then-Secretary General of MWL, "much of [IIRO and *Sanabel*'s] funding has been made possible by financial assistance from the Saudi government including King Fahd Bin Abdul Aziz, Deputy Prime Minister and

¹²³ Arab News, "Islamic relief organization sets up income-bearing scheme," March 8, 1992.

¹²⁴ The Saudi Gazette, "Personality Profile: A born volunteer and friend of the poor," August 18, 1996.

¹²⁵ Arab News, "Bosnia committee receives SR19m," July 6, 1992.

¹²⁶ Arab News, "IIRO raises SR15m in-funds," December 22, 1993.

¹²⁷ The Saudi Gazette, "Saudis back fund-raising for Bosnian Muslims," February 26, 1994.

¹²⁸ The Associated Press, "Saudi Tycoon Defends Muslim Charity," November 2, 2002.

¹²⁹ Arab News, "Riyadh Governor Prince Salman donates SR1m to IIRO," February 23, 1994.

¹³⁰ Arab News, "SR8m raised on first day of Sanabel Al Khair," February 23, 1995.

¹³¹ Arab News, "SR8m raised on first day of Sanabel Al Khair," February 23, 1995.

Commander of the National Guard Crown Prince Abdullah Bin Abdul Aziz and Chairman of the Board of Trustees of the Saudi Benevolent Society, [and] Second Deputy Prime Minister and Minister of Defense and Aviation Prince Sultan Bin Abdul Aziz.”¹³²

The IIRO/*Sanabel Al-Kheer* fundraiser in February 1996 raised more than SR6 million in three hours time. Donations included SR1 million from Prince Salman Bin Abdul Aziz, SR1 million from Prince Sattam Bin Abdul (deputy governor of Riyadh), and SR10,000 from Shaykh Abdulaziz Bin Baz. Princes Salman and Sattam were warmly greeted by Dr. Abdullah Saleh Al-Obaid, the new Secretary General of MWL and chairman of IIRO’s “founding council.”¹³³

The tenth annual fundraising drive in 1997 collected over SR17 million¹³⁴ and the 12th annual *Sanabel Al-Kheer*/IIRO charity drive in 1998 netted over SR6 million in less than two hours, including SR5 million from Prince Sultan bin Abdulaziz bin Saud (Second Deputy Premier and Saudi Defense Minister), SR1 million from Riyadh Governor Prince Salman, and SR10,000 from Shaykh Abdulaziz bin Baz.¹³⁵

IIRO, Sana-Bell & MWL in the United States

In the late 1980’s and early 1990s, IIRO, Sana-Bell and the Muslim World League set up branch offices in the greater Washington, DC area.¹³⁶ The Muslim World League’s U.S. offices were first organized at 555 Grove Street in Herndon, Virginia by Yaqub Mirza.¹³⁷ As closely related organizations, Sana-Bell, IIRO and MWL had overlapping mission statements, offices and executives.

In 2002, law enforcement and intelligence officials raided an *Al-Qaeda* safe house in Bosnia-Herzegovina. Among documents recovered was the coveted *Golden Chain* list, containing the original *Al-Qaeda* financiers from the late 1980s.¹³⁸ Former *Al-Qaeda* operatives have explained how *Golden Chain* financiers would donate funds earmarked for bin Laden by way of the Muslim World League.¹³⁹ Included on the *Golden Chain* list are the names Salih Kamel and Ibrahim Afandi, two founding Trustees of Sana-

¹³² Info-Prod Research (Middle East) Ltd. – Middle East News Items, “Prince Salman Opens Fundraising Campaign for IIRO,” February 28, 1995.

¹³³ The Saudi Gazette, “SR6m Raised in Three Hours at Sanabel Al-Khair Drive,” February 6, 1996.

¹³⁴ The Saudi Gazette, “IIRO Bags SR17m in One Night for Sanabel Al-Khair,” January 23, 1997.

¹³⁵ Arab News, “SR6m collected at Sanabel Al-Khair,” December 24, 1998.

¹³⁶ Articles of Incorporation International Relief Organization, Inc. Commonwealth of Virginia, State Corporation Commission, July 17, 1991. Articles of Incorporation Sana-Bell, Inc. Government of the District of Columbia, Department of Consumer and Regulatory Affairs, July 28, 1989.

¹³⁷ Articles of Incorporation Muslim World League Foundation. Commonwealth of Virginia, State Corporation Commission.

¹³⁸ Wall Street Journal, “Al-Qaeda List Points to Saudi Elite,” March 18, 2003.

¹³⁹ Wall Street Journal, “Al-Qaeda List Points to Saudi Elite,” March 18, 2003.

Bell in Washington DC,¹⁴⁰ which was organized around the same time the Golden Chain was created.

Dr. Yaqub Mirza, the subject of a federal investigation in the Eastern District of Virginia was also on Sana-Bell's founding Board of Trustees.¹⁴¹

In the United States, Sana-Bell operated out of Falis Church and Herndon, Virginia, and was headed by Sulaiman Al-Ali, a former MWL fund-raiser.¹⁴² From 1990 to 1997, Al-Ali, Sana-Bell and IIRO invested millions of dollars with BMI, Inc., an Islamic investment bank based in Secaucus, New Jersey.¹⁴³ According to FBI Agent Robert Wright, the founders of BMI include SDGTs Musa abu Marzook (Hamas leader) and Yasin al-Qadi (*Al-Qaeda financier*), and two bin Laden brothers.¹⁴⁴ In a civil lawsuit, a BMI official later explained how al-Ali would invest in BMI land deals, and subsequently withdraw substantial sums in cash.¹⁴⁵ At one point, a second BMI official confided to an FBI agent that he feared money he transferred overseas helped finance the East Africa Embassy bombings.¹⁴⁶

Section VI of Sana-Bell's Articles of Incorporation indicates that upon dissolution, the assets of the organization shall be distributed to several Islamic organizations, including SAFA Trust, Inc.¹⁴⁷ In the early 1990's, SAFA Trust, along with its sister organization International Institute of Islamic Thought, were the primary financial backers of indicted terrorist leader and University of South Florida Professor, Sami al-Arian.¹⁴⁸

Another recipient of IIRO millions was a start-up chemical company out of Chicago, Illinois.¹⁴⁹ In a 1997 federal investigation resulting in fraud convictions and jail sentences, Global Chemical was shut down amidst allegations of money laundering and terrorism support.¹⁵⁰

Saudi officials have tried to distance themselves from the activities of U.S. branches of MWL, Sana-Bell and IIRO. At his June 12, 2003 press conference, Adel Al-Jubeir stated that:

¹⁴⁰ Articles of Incorporation Sana-Bell, Inc. Government of the District of Columbia, Department of Consumer and Regulatory Affairs, July 28, 1989.

¹⁴¹ Articles of Incorporation Sana-Bell, Inc. Government of the District of Columbia, Department of Consumer and Regulatory Affairs, July 28, 1989.

¹⁴² Articles of Incorporation Sana-Bell, Inc. Government of the District of Columbia, Department of Consumer and Regulatory Affairs, July 28, 1989.

¹⁴³ IRS Form 990 filed by IIRO from 1990-1997 AND Sana-Bell, Inc. v BMI Real Estate, et al., US District Court, District Maryland (Greenbelt), December 23, 1998.

¹⁴⁴ Sworn Statement, FBI Special Agent Robert G. Wright, Jr. Chicago, Illinois. March 21, 2000.

¹⁴⁵ Deposition of Soliman Bihieri in Sana-Bell, Inc. v BMI Real Estate, et al., US District Court, District Maryland (Greenbelt), December 23, 1998.

¹⁴⁶ Sworn Statement, FBI Special Agent Robert G. Wright, Jr. Chicago, Illinois. March 21, 2000.

¹⁴⁷ Articles of Incorporation Sana-Bell, Inc. Government of the District of Columbia, Department of Consumer and Regulatory Affairs, July 28, 1989.

¹⁴⁸ Letter from Ramadan Abdullah to Dr. Mark Orr, December 11, 1991.

¹⁴⁹ IRS Form 990 filed by International Relief Organization for fiscal year 1995.

¹⁵⁰ Affidavit of FBI Special Agent Valerie Donahue, submitted in connection with USA v Mohammed Mabrook, United States District Court, Northern District of Illinois, Docket no. 98-CR-271.

I want to also remind you that there are a lot of charities that claim to be subsidiaries of charities based in Saudi Arabia that in fact are not. You have the Islamic Relief Organization here in America. The parent company disassociated itself from them years ago, and did so publicly.

And until today, I see reports that people say "a branch of a Saudi charity." It's not. It's an American charity based in America that raises money in America.¹⁵¹

In a similar attempt to clarify the Saudi connection to US activities, IIRO Secretary General Dr Adnan Basha proffered in an October 2002 press release that IIRO had no connection or links with the International Relief Organization.¹⁵² However, documents filed in Washington DC and Virginia indicate that IIRO in the U.S. is indeed a branch of the Saudi organization.

The U.S. branch of IIRO was first organized as a Virginia corporation in July of 1991 by Sulaiman Al-Ali under the name *International Relief Organization, Inc.*¹⁵³ Less than one year later, Al-Ali incorporated the *International Islamic Relief Organization* in Washington DC.¹⁵⁴ The DC and Virginia organizations shared officers Tareq Al-Swaidan and Abdullah Al-Mahdi. On March 8, 1993, Al-Ali filed an assumed name certificate in Virginia for International Relief Organization in the name of *International Islamic Relief Organization*.¹⁵⁵

International Relief Organization's Application for Recognition of Exemption under Section 501(c)(3) explains,

We are very fortunate to have as our Executive Director Mr. Suliman Al-Ali. Since 1985 he has been involved in fund raising activities for the needy of the world. Mr. Al-Ali has worked for several non-profit organizations over the past 6 years successfully raising funds for the needy and poor. Mr. Al-Ali's most recent pledge program for International Islamic Relief Organization (IIRO) netted about \$500,000.¹⁵⁶

Al-Ali's biography explains that,

¹⁵¹ News Conference, Saudi Embassy, June 12, 2003

¹⁵² Saudi Arabian Information Resource. *IIRO has no link with International Relief Organization.* October 21, 2002.

¹⁵³ Articles of Incorporation International Relief Organization, Inc. Commonwealth of Virginia, State Corporation Commission, July 17, 1991.

¹⁵⁴ Articles of Incorporation International Islamic Relief Organization, Inc. Government of the District of Columbia, Department of Consumer and Regulatory Affairs, February 18, 1992.

¹⁵⁵ Assumed Name Certificate, International Relief Organization. Commonwealth of Virginia, State Corporation Commission, March 8 1993.

¹⁵⁶ Application for Recognition of Exemption under Section 501(c)(3) of Internal Revenue Code. International Relief Organization, Inc. October 25, 1991.

[Al-Ali] became a fulltime fundraiser for the I.I.R.O., June 1990. From June 1990 until July 1991, the pledge programs he directed netted about half a million dollars a month. This relief program, which coordinates multi-million dollar relief programs in Africa, is supported in part by the Saudi government and people.¹⁵⁷

A description of the founding capital for IRO, the application reveals that an \$11,000 loan was provided by Sana-Bell USA, founder Farid Qurashi.¹⁵⁸

According to the deposition of BMI executive Soliman Biheiri and corresponding court exhibits, when an investment dispute arose between Sana-Bell and BMI, Biheiri received a letter on IIRO Saudi Arabia letterhead from the **Secretary of the Investment Committee of IIRO in Saudi Arabia** with the following instructions:

I request you to stop any transactions concerning the accounts managed by your firm under the name of (Sana-Bell, America), and to cancel the validity of Dr. Solaiman Al-Ali's signature in regard of all our accounts with your firm.

You will receive, later, a direct confirmation of these instructions from the Secretary General of the "Muslim World League", the Chairman of the Board of IIRO and Chairman of the Investments Committee. He will, also, let you know how our accounts with your firm will be handled in the future.¹⁵⁹

International Relief Organization's 1992 Return of Organization Exempt from Income Tax discloses a payment to Bosnia & Somalia Relief Funds for over \$275,000. The address listed for the Bosnia & Somalia Relief Funds, P.O. Box 14843, Jeddah 21434, is the address for IIRO's Saudi Arabian offices.¹⁶⁰ IRO's Tax Return for 1996 lists a \$3.9 million disbursement for "Emergency relief supplies (medical supplies) to International Islamic Relief in Bosnia."¹⁶¹

The *Al-Haramain* Foundation

The *Al-Haramain* Charitable Foundation is a Saudi non-profit evangelical charity that engages in relief work around the world. It has more than 40 international branches, and

¹⁵⁷ Application for Recognition of Exemption under Section 501(c)(3) of Internal Revenue Code. International Relief Organization, Inc. October 25, 1991.

¹⁵⁸ Application for Recognition of Exemption under Section 501(c)(3) of Internal Revenue Code. International Relief Organization, Inc. October 25, 1991.

¹⁵⁹ Deposition of Soliman S. Biheiri. *In the Matter of The Sana-Bell, Inc. v. BMI Real Estate Development, Inc. et al.* October 27, 1999. Exhibit Mirza #16, 10/25/1999.

¹⁶⁰ Return of Organization Exempt From Income Tax. International Relief Organization. 1992.

¹⁶¹ Return of Organization Exempt From Income Tax. International Relief Organization. 1996.

in 1999 spent more than \$61 million on various projects worldwide.¹⁶² *Al-Haramain* also maintains local offices in the continental United States, primarily in Missouri and Oregon.¹⁶³

Since the mid-1990s, *Al-Haramain* has come under investigation by intelligence and law enforcement bodies across the globe. In January 1995, the Committee for the Defense of Legitimate Rights (CDLR), a Saudi dissident group aligned with Osama bin Laden, reported that Saudi authorities were scrutinizing the activities of *Al-Haramain*. According to CDLR, “[a]ttacks on voluntary work still continue after the closure of many voluntary organisations. [King] Fahd has now turned his beady attention to the *Al-Haramain* institution.”¹⁶⁴

When Italian counterterrorism police raided a suspected *Al-Gama`at Al-Islamiyya* terrorist guesthouse and headquarters in Milan in 1995, they discovered a confidential letter sent to wanted Egyptian terrorist Shaykh Anwar Shaaban from Albania detailing efforts to distribute *Al-Gama`at's* official magazine, *Al-Murabitoun*, amongst the personnel working at the *Al-Haramain* charitable organization in the Balkans.¹⁶⁵ Subsequently, three members of the *Al-Qaeda*-linked Egyptian *Al-Jihad* were deported from Albania in June 1998.¹⁶⁶ All three were also connected to the “*Al-Haramain* Islamic Organization” and a search of their apartments revealed official government stamps used for producing false documents.¹⁶⁷ In April 1999 a report from a member of the *Al-Haramain* delegation in Albania described scenes of Kosovar refugees and concluded, “We ask Allah the Almighty and Majestic to repel the evil designs of the [infidels] back onto their own necks.”¹⁶⁸

Al-Haramain was officially banned in Kenya shortly after the devastating U.S. Embassy bombings in August 1998 because the charity was believed to have been involved in the attack.¹⁶⁹ At the time, John Etemesi, chairman of the Kenyan Non-Governmental Coordinating Board, explained that *Al-Haramain* “had been found to be working against the interests of Kenyans in terms of security...Our investigations reveal that the operations of these organizations are inconsistent with the reasons for which they were registered.”¹⁷⁰

¹⁶² Agence France Presse, “Saudi Arabia’s top Islamic charity denies any of its assets frozen,” March 13, 2002.

¹⁶³ IRS 990 Form fiscal year 2000 for the “*Al-Haramain* Foundation.”

¹⁶⁴ HEADLINE: CDLR MONITOR: No.30 ; Fri 13 JAN 1995 YOUR RIGHT TO KNOW

¹⁶⁵ DIGOS (Italy) Anti-Terrorism Report. “Searches at the Islamic Cultural Center, Viale Jenner 50, Milano, 6/26/1995.” Dated September 15, 1997.

¹⁶⁶ “State Summarizing pursuant to section 40.1(1) of the Immigration Act.” In relation to Mahmoud Jaballah. The Federal Court of Canada.

¹⁶⁷ “State Summarizing pursuant to section 40.1(1) of the Immigration Act.” In relation to Mahmoud Jaballah. The Federal Court of Canada.

¹⁶⁸ “REPORT NO: 1 - Report On Kosovar Refugees.” Report from the *Al-Haramain* Foundation; Tirana, Albania. April 2, 1999. <http://kosova.hypermart.net/harameen.html>.

¹⁶⁹ Associated Press, “U.S. blocks assets of Islamic charity’s operations in Bosnia and Somalia,” March 11, 2002.

¹⁷⁰ Associated Press, “Kenya bans six Islamic aid agencies after U.S. Embassy bombing,” September 9, 1998.

Wadih el-Hage, Osama bin Laden's personal secretary, was a principle convicted conspirator in the 1998 embassy bombings. El-Hage's book of business cards exhibited at the federal trials in New York contained a card for "Mansour A. Al-Kadi" as the "Deputy General Director and Head of Africa-Committee of *Al-Haramain Islamic Foundation*."¹⁷¹ "Mansuor [sic] Al-Kadi" is also listed as the Vice President of *Al-Haramain's* Ashland, Oregon office on IRS 990 Forms from fiscal year 2000.¹⁷² *Al-Haramain's* English-language website further identifies Al-Kadi as a member of its global Board of Trustees.¹⁷³

- Regarding the U.S. presence in the Muslim world, two months after the 1998 East Africa Embassy bombings the *Al-Haramain* English-language newsletter read:

The war of the Christian Crusaders is today at its most intense... The Muslim whose mind has not been corrupted cannot bear to see the unbelievers wielding authority, and ordering and prohibiting in his own country. Therefore such a Muslim strives his utmost to expel and distance them - even if he has to sacrifice his own life, or his most cherished possession, for this cause.¹⁷⁴

- *Al-Haramain's* website regularly covered the "The Jihad In Chechnya," posting reports from its representative in Chechnya, Abdul-Lateef Ad-Diraan.¹⁷⁵ The Russian FSB security service accused the *Al-Haramain* Foundation of transferring \$1 million to Chechen Muslim rebels in 1999 and arranging the purchase on their behalf of 500 "heavy weapons" from the Taliban in Afghanistan.¹⁷⁶ According to the *Washington Post*, the FSB memo alleged written exchanges between Arab-Afghan military commanders in Chechnya and *Al-Haramain's* "director" back in the Saudi Kingdom:

Today, *Al-Haramain* has \$50 million for the needs of the mujaheddin ['holy warriors']... The reason *Al-Haramain* provides assistance a little bit at a time is because it is afraid of the accusations it is assisting the jihad.¹⁷⁷

- In the February 2000 *Al-Haramain* newsletter, a columnist wrote, "Jihad is a religious obligation in Islaam. Its aim is to fight oppression and injustice and to remove obstacles which prevent the spread of Islaam. This is accomplish[ed] either by weakening or destroying the disbelieving prevalent

¹⁷¹ *U.S. v. Osama bin Laden, et al.* United States District Court for the Southern District of New York. 116 F. Supp. 2d 489; 2000 U.S. Dist. LEXIS 14507. October 5, 2000, Decided. October 5, 2000, Filed. Government exhibits GX-207 to GX-364.

¹⁷² IRS 990 Form fiscal year 2000 for the "*Al-Haramain Foundation*."

¹⁷³ <http://www.alharamain.org/alharamain/eng/inner.asp?order=1&num=1>.

¹⁷⁴ Shaykh Abdul-Aziz Ibn Baz. "The Ideological Attack." *Al-Haramain Newsletter*. Vol. 2; No. 10. October 1998.

¹⁷⁵ http://www.alharamain.org/alharamain/chechniya/chech_eng01.html. See also: http://www.alharamain.org/alharamain/chechniya/chech_eng04.html.

¹⁷⁶ *The Washington Post*, "How Jihad Made Its Way to Chechnya Secular Separatist Movement Transformed by Militant Vanguard," April 26, 2003.

¹⁷⁷ *The Washington Post*, "How Jihad Made Its Way to Chechnya Secular Separatist Movement Transformed by Militant Vanguard," April 26, 2003.

political powers so that Muslims can prevent anyone from persecuting their brother Muslims wherever they may be.”¹⁷⁸

- German authorities detained and interrogated six men tied to the Al-Nur mosque in Berlin in March 2003.¹⁷⁹ One of the men, Tunisian-born Ihsan Garnooui, was arrested after a poison handbook, bomb-making ingredients, a loaded handgun, and a stolen passport were found in his belongings.¹⁸⁰ Masjid Al-Nur had come under scrutiny for its links to Mohammad J. Fakihi, Director of the Islamic Affairs Department at the Saudi Embassy in Berlin, who has been tied to *Al-Qaeda* and alleged September 11 conspirators active in Germany.¹⁸¹
 - Reports indicate German investigators were examining the role of the *Al-Haramain* Foundation in funding and sponsorship of the Al-Nur mosque. Shaykh ‘Aqeel Ibn ‘Abdul-‘Aziz Al-‘Aqeel, the “general director” of *Al-Haramain*, is listed as a co-owner of the land the mosque sits on, which was purchased only months after the arrival of Fakihi at the Saudi Embassy in Berlin.¹⁸²

Al-Haramain is closely controlled and funded by members of the Saudi government, religious hierarchy, and royal family. Most notably, according to *Al-Haramain*’s website www.alharamain.org, the “superintendent of all Foundation activities” is Shaykh Saleh Ibn Abdul-‘Azeez Aali Shaykh, the Saudi Minister of Islamic Affairs, Endowments, Call and Guidance. Shaykh Abdul-‘Azeez Aali formally serves as “the chairman of the administrative board” of *Al-Haramain*.¹⁸³

The Bin Baz Foundation is headed by Prince Salman bin Abdulaziz, the governor of Riyadh region, and Prince Abdulaziz bin Fahad bin Abdulaziz, the Saudi State Minister and Head of Council of Ministers Chamber.¹⁸⁴ The “General Director” of *Al-Haramain*, Shaykh ‘Aqeel Ibn ‘Abdul-‘Aziz Al-‘Aqeel, is a member of the Board of Trustees of the influential Saudi Bin Baz Foundation.¹⁸⁵ Shaykh Al-‘Aqeel has stated on several occasions that *Al-Haramain* operates only with the explicit permission and the Islamic mandate of the Kingdom of Saudi Arabia. Interviewed in the Washington Post, Al-‘Aqeel explained, “We do not have any relationship with any terrorist activities...We work under the supervision of the Saudi government.”¹⁸⁶ In other interviews, Aqeel has indicated that the activities of *Al-Haramain* are “under

¹⁷⁸ *Al-Haramain Newsletter*, Vol. 4; No. 3. February 2000.

¹⁷⁹ *The Wall Street Journal*, “Germans Investigate Saudi Official,” April 22, 2003.

¹⁸⁰ *The Wall Street Journal*, “Germans Investigate Saudi Official,” April 22, 2003.

¹⁸¹ *The Wall Street Journal*, “Germans Investigate Saudi Official,” April 22, 2003.

¹⁸² *The Wall Street Journal*, “Germans Investigate Saudi Official,” April 22, 2003.

¹⁸³ <http://www.alharamain.org/alharamain/eng/inner.asp?order=1&num=1>. See also:

<http://www.alharamain.org/english/ourobjectives.htm>. January 27, 2002.

¹⁸⁴ <http://binbazfoundation.org/english/leadership.html>. See also:

<http://www.alharamain.org/alharamain/eng/inner.asp?order=1&num=1>.

¹⁸⁵ <http://binbazfoundation.org/english/leadership.html>, accessed July 30, 2003.

¹⁸⁶ *The Washington Post*, “How Jihad Made Its Way to Chechnya Secular Separatist Movement Transformed by Militant Vanguard,” April 26, 2003.

tight administrative and financial control"¹⁸⁷ and that over 95% of his group's funding comes directly from Saudi Arabia.¹⁸⁸

Al-Haramain has posted endorsements from prominent Saudi officials on its English-language website. Among these, an "attestation" written by the former supreme religious authority in Saudi Arabia, Shaykh Abdulaziz Bin Baz, dated April 15, 1999:

I attach for you a check in the amount of 10,000 Riyals to assist the [Al-Haramain] Foundation in its charitable work. May Allah accept your efforts, multiply your reward and bless you in your work for indeed He is Most Generous and Most Kind.¹⁸⁹

Shaykh Mohammed Al-Uthaimeen, a lecturer at the Imam Muhammad bin Saud Islamic University and a member of the Council of Senior Scholars of the Kingdom of Saudi Arabia wrote in an endorsement dated October 22, 1998:

...I was very pleased with what the Foundation has done both domestically and internationally just as I was pleased with the opening of the breasts of the brothers who accepted Islam. I ask Allah (SWT) to make all of them firm and to provide us with sincerity and correct action.¹⁹⁰

On May 1, 1999, Abdul-Lateef Saleh wrote on the letterhead of the Saudi embassy in Albania to *Al-Haramain* "superintendent" and Minister of Islamic Affairs Shaykh Saleh Ibn Abdul-'Azeez Aali Shaykh to "express my appreciation and praise for the efforts of *Al-Haramain* Foundation in the Albanian Republic...We thank you for the cooperation of the Foundation in Albania with the Embassy of the Custodian of the Two Holy Mosques, King Fahd Ibn Abdul-Aziz—may Allah preserve him. If anything, this indicates the deep ties among Saudi society both governmentally and with its people."¹⁹¹ Six months later, Abdul-Lateef was expelled from Albania on suspicion of membership in "the radical Islamic Jihad group"¹⁹² and was alleged to be linked directly to Osama Bin Laden.¹⁹³

Support for the *Al-Haramain* Foundation runs to the most senior levels of the Al-Saud family. On November 12, 2002, a charitable event in Riyadh co-sponsored by the *Al-Haramain* Foundation, IIRO, and the World Assembly for Muslim Youth (WAMY) was attended by, among others: Governor of the Riyadh region, Prince Salman bin Abdul Aziz; Grand Mufti of Saudi Arabia, Shaykh Abdulaziz bin Abdullah Al Al-Shaykh; Minister of Islamic Affairs, Shaykh Saleh Ibn Abdul-'Azeez Aali Shaykh; and, *Al-Haramain* director Shaykh 'Aqeel Ibn 'Abdul-'Aziz Al-'Aqeel.¹⁹⁴

¹⁸⁷ Agence France Presse, "Noose tightens around Islamic charities in Gulf," October 3, 2001.

¹⁸⁸ Al-Sharq al-Awsat (London), "Interview with Aqil al-Aqil, general manager of the charitable Al-Haramain Foundation," March 16, 2002.

¹⁸⁹ <http://www.alharamain.org/english/ourobjectives.htm>. January 27, 2002.

¹⁹⁰ <http://www.alharamain.org/english/ourobjectives.htm>. January 27, 2002.

¹⁹¹ "REPORT NO: 12 - A Letter of Commendation." Report from the *Al-Haramain* Foundation; Tirana, Albania. May 1, 1999. <http://kosova.hypermart.net/haramain.html>.

¹⁹² AP, 11/14/99 (Citing to Gazeta Shqiptare and Koha Jone 'that we should get translated') (Independently confirmed by government official who spoke on condition of anonymity.)

¹⁹³ Deutsche Presse-Agentur, "Albanian Police Said to Have Handed Suspected Terrorist to CIA, November 14, 1999.

¹⁹⁴ Saudi Press Agency, "Prince Salman patronizes charity ceremony," November 12, 2002.

Less than two weeks later, Prince Abdul Majeed Ibn Abdul Aziz, Governor of the Mecca Region, pledged a personal contribution of approximately \$40,000 during a joint ceremony organized by *Al-Haramain* and WAMY.¹⁹⁵ Elsewhere, Prince Mohammed bin Fahd bin Abdul Aziz, Governor of the Eastern region of Saudi Arabia, was a featured guest at yet another joint charitable function organized in November 2002 by IIRO, WAMY, and *Al-Haramain*.¹⁹⁶ After pledging a donation of over \$250,000, Prince Mohammed bin Abdul Aziz delivered a speech to attendees congratulating the assistance "given by the government of the Kingdom of Saudi Arabia under the leadership of...King Fahd Ibn Abdul Aziz, Crown Prince Abdullah Ibn Abdul Aziz and Prince Sultan Ibn Abdul Aziz, Second Deputy Prime Minister and Commander of the National Guard to charities and charitable deeds."¹⁹⁷

On March 11, 2002, the U.S. Treasury froze the assets of the *Al-Haramain* branches in Somalia and Bosnia.¹⁹⁸ *Al-Haramain* spent roughly \$26.7 million total in Somalia, and over \$260,000 per year in Bosnia in the last ten years.¹⁹⁹ Investigators suggested that *Al-Haramain's* Bosnia office had been linked to the terrorist group *Al-Gama'at Al-Islamiyya*, and that Wa'il Jalaidan was authorized to withdraw money from its local bank account.²⁰⁰

Shaykh 'Aqeel Al-'Aqeel has flatly denied that any *Al-Haramain* branch office could be operating independently of the Saudi central headquarters. When asked in Arab news interviews whether *Al-Haramain* retains "tight control" over its affiliates, Al-'Aqeel responded:

Yes, of course. The offices' directors are employees who follow the directions of the main office with regards to hiring workers at the offices and making any decisions on cooperation with any party. In the main office, there are 19 auditors. Each of the foundation's specialized committees has an auditor. There are monthly, quarterly, and yearly reports on the foundation's revenue and expenditure.²⁰¹

Shaykh Al-'Aqeel has dismissed U.S. government action against *Al-Haramain's* regional offices. He insists, "we have a large number of offices all over the world. We still can do the work in Bosnia and Somalia even if our offices there were closed. We can run the work through preachers. They can close the offices but they cannot arrest all the preachers."²⁰² According to Al-'Aqeel, *Al-Haramain* has opened three more

¹⁹⁵ *Ain Al-Yaqeen*, November 29, 2002, <http://www.ain-al-yaqeen.com/issues/20021129/feat7en.htm>.

¹⁹⁶ *Ain Al-Yaqeen*, November 29, 2002, <http://www.ain-al-yaqeen.com/issues/20021129/feat7en.htm>.

¹⁹⁷ *Ain Al-Yaqeen*, November 29, 2002, <http://www.ain-al-yaqeen.com/issues/20021129/feat7en.htm>.

¹⁹⁸ Executive Order 13224 Blocking Terrorist Property and a Summary of The Terrorism Sanctions

Regulation US Department of the Treasury Office of Foreign Assets Control.

¹⁹⁹ *Agence France Presse*, "Saudi Arabia's top Islamic charity denies any of its assets frozen," March 13, 2002.

²⁰⁰ *Dani* (Sarajevo), "Blockading Young Muslims' Way—Misuse of Humanitarian Funds To Support Terrorism," November 22, 2002.

²⁰¹ *Al-Sharq al-Awsat*, "Interview with Aqil al-Aqil, general manager of the charitable Al-Haramain Foundation," March 16, 2002.

²⁰² *Al-Sharq al-Awsat*, "Interview with Aqil al-Aqil, general manager of the charitable Al-Haramain Foundation," March 16, 2002.

affiliate offices since 9/11 and has garnered greater government recognition; “Our (relief and fund-raising) activities have not been affected at all by the September 11 attacks...In fact, we have expanded our activities.”²⁰³ ‘Al-Aqeeq cites a 3 percent rise in revenues (about \$1.9 million) since September 11.²⁰⁴ he has said, “We are like heroes in the Islamic world because America is against us.”²⁰⁵

The Saudi royal spokesman has routinely claimed there is no evidence linking *Al-Haramain* to Islamic radicalism and terrorism. In recent days, though, the Saudis have admitted that *Al-Haramain* was engaged in activities that were not in accordance with its stated mission. In a June 12 news conference, Adel Al-Jubair announced that *Al-Haramain* “would be shutting down all of its foreign offices”²⁰⁶ after Saudi investigators “discovered that in many cases the financial controls were not up to par. The individuals working in those offices, the vast majority of them were non-Saudis, about whose background the head organization knew very little. And so we worked with the organization, and they came to the conclusion that the best thing they can do is shut down those offices.”²⁰⁷ Despite these assertions, **there is no available evidence indicating that the *Al-Haramain* Foundation has ceased its operations.**

World Assembly of Muslim Youth

The World Assembly of Muslim Youth (WAMY) is the world’s largest Muslim youth organization. According to a letter signed by WAMY Assistant Secretary General Dr. Hameed al Shaygi, WAMY has offices in London, Washington DC, Kuala Lumpur, Auckland, Dhaka, Nairobi, Dakar, Moscow, Cordoba (Argentina), and headquarters in Riyadh. WAMY’s US website, www.wamyusa.org, says “WAMY has 66 regional, local offices and representatives in the five continents.”²⁰⁸ WAMY’s US office was incorporated in Falls Church, Virginia in 1992 by Osama bin Laden’s brother, Abdullah bin Laden.²⁰⁹ Abdullah continued to be listed on WAMY’s IRS forms 990 through at least 1998.²¹⁰ WAMY’s goal, according to its pamphlet *Islam at a Glance* is to “arm the Muslim youth with full confidence in the supremacy of the Islamic system over other systems.”

There is ample evidence that WAMY is primarily a Saudi organization, if funded by government officials, and is at least indirectly involved in terrorism.

²⁰³ [Arab News](#), “Saudi societies fight back America’s uncharitable charges a year on,” September 9, 2002.

²⁰⁴ [Al-Shara’ al-Awsat](#), “Interview with Aqil al-Aqil, general manager of the charitable Al-Haramayn Foundation,” March 16, 2002.

²⁰⁵ [Reuters](#), “Saudi Charity Denies U.S. Charges of Terror Links,” July 1, 2003.

²⁰⁶ News Conference with Adel Al-Jubeir, Adviser to the Saudi Crown Prince. http://www.saudiembassy.net/press_release/statements/03-ST-Adel-embassy-0612-transcript.htm. June 12, 2003.

²⁰⁷ News Conference with Adel Al-Jubeir, Adviser to the Saudi Crown Prince.

http://www.saudiembassy.net/press_release/statements/03-ST-Adel-embassy-0612-transcript.htm. June 12, 2003.

²⁰⁸ <http://www.wamyusa.org/about/about%20wamy.htm>, as of December 11, 2002.

²⁰⁹ WAMY IRS Form 1023 Application for Recognition of Exemption, filed November 9, 1992.

²¹⁰ IRS Form 990 filed by WAMY International, April 30, 1999.

In an interview with Middle East Newsfile, Dr Abdul Wahab Noorwali, Assistant Secretary General of WAMY, said, "Saudi Arabia's support has been enormous since the establishment of WAMY in 1963. The Kingdom provides us with a supportive environment that allows us to work openly within the society to collect funds and spread activities. It also provides us with protection abroad through Saudi embassies and consulates, in addition to financial support."²¹¹

WAMY's leadership is also prominent in the Saudi Government establishment:

- At a November 2001 joint fundraiser for WAMY, the International Islamic Relief Organization (IIRO) and *Al-Haramain* Charitable Organization, "Riyadh governor Prince Salman contributed SR 1.5 million, while his deputy Prince Sattam donated SR1 million."²¹²
- Prince Salman also donated SR1.5 million to a 1999 fund-raiser conducted by the same three organizations.²¹³
- WAMY is headed by Saudi minister of Islamic affairs Saleh al-Alshaikh.²¹⁴ "His Royal Highness" Prince Ghazi addressed the Eighth International Conference of the World Assembly of Muslim Youth in October 1998.²¹⁵ The following year, Crown Prince Abdullah bin Abd-al-Aziz, Deputy Premier and Commander of the National Guard, "received guests of the ninth international conference of the World Assembly of Muslim Youth and its officials who came to greet him on the occasion of the end of the conference, which was held here under the auspices of the crown prince."²¹⁶ The Prince told his visitors, "Not only Saudi Arabia, Iraq, the Sudan or any other country... But rather Islam is the target."²¹⁷
- Maneh ibn Hammad Al-Johani was Secretary-General of WAMY when he died in August 2002. He was a member of the Shura Council, and an "active member of the 120-member consultative body."²¹⁸ In an interview after al-Johani's death, WAMY's assistant Secretary-General Saleh Al-Wohaibi said he was "to brief Prince Abdullah on the organization's activities. He was going to update the regent on WAMY's upcoming ninth international..."²¹⁹
- King Fahd bin Abdul Aziz is funding this year's WAMY Hajj drive.²²⁰
- Prince Abdul Majeed Bin Abdul Aziz, Governor of the Makkah Region of Saudi Arabia, "graced Monday evening the charity function held by the International Islamic Relief Organization (IIRO) in association with the World Assembly of

²¹¹ [Middle East Newsfile](#), "WAMY Team in Afghanistan Risks Life to Deliver Aid," November 20, 2001.

²¹² [MiddleEast Newsfile](#), "Fund Raising Event Generates SR6.5 million," November 29, 2001.

²¹³ [MiddleEast Newsfile](#), "Salman donates SR1.5m in a Major Fund-Raising Event," December 16, 2001.

²¹⁴ <http://www.saudinstitute.org/hate.htm>, accessed July 27, 2003.

²¹⁵ [Amman Jordan Times](#), "Jordan's Prince Ghazi Addresses Muslim Youth Conference," October 21, 1998.

²¹⁶ [BBS](#), "Saudi Crown Prince Receives Dignitaries, says Islam Targeted," November 2, 2002.

²¹⁷ [BBS](#), "Saudi Crown Prince Receives Dignitaries, says Islam Targeted," November 2, 2002.

²¹⁸ [ArabNews](#), "WAMY chief Johani dies in car crash," August 5, 2002.

²¹⁹ [ArabNews](#), "WAMY chief Johani dies in car crash," August 5, 2002.

²²⁰ <http://www.saudinf.com/main/y5346.htm>, accessed July 27, 2003.

Muslim Youth (WAMY) and the Haramain Charitable Organization (HCO) here.”²²¹

- According to the Saudi Arabian Information Resource web page, “Custodian of the Two Holy Mosques King Fahd bin Abdul Aziz has issued directives to provide some of the governmental authorities and Saudi embassies and a number of Islamic organizations inside and outside the Kingdom of Saudi Arabia with 1.6 million copies of the Holy Quran and its meanings in various languages, published by the Madinah-based Custodian of the Two Holy Mosques King Fahd Complex for Printing the Holy Quran.” The article continues, “The Minister of Islamic Affairs, Endowments, Call and Guidance, Sheikh Salih Al-Al-Sheikh, announced this in a statement to SPA. He noted that in line with monarch’s directives...the World Assembly for Muslim Youth...will be provided with copies of the Holy Quran and its translations.”²²²
- “There is growing evidence of Wahhabi activities in Iraq. Last month’s issue of The Future of Islam, a monthly [WAMY publication]...carried a cover interview with Saudi cleric Ayed al-Qarni. Al-Qarni, an adviser to Prince Abdel-Aziz bin Fahd, youngest son of Saudi Arabia’s King Fahd, stated that he prays for the destruction of America several times a day. He also urged Saudi subjects to go and fight in Iraq or contribute money.”²²³
- The Wall Street Journal has simply referred to WAMY as “a Saudi government-backed group.”²²⁴
- In November 1999, the Institute of Islamic and Arabic Sciences in America (IIASA) held a Symposium on “One Hundred Years of the Kingdom of Saudi Arabia.”²²⁵ In the invitation to that event, Abdullah Naseef, Vice Chairman of the *Majlis as-Shura* of the Saudi Arabian Government, Vice Chairman of WAMY and former Secretary-General of the Muslim World League, said “Praise is due to Allah SWT and then to the kings of of [sic] Saudi Arabia who supported this pioneering organization and other non-governmental bodies such as the Muslim World League in Makkah in 1962 and the World Assembly of Muslim Youth in Riyadh in 1973.”²²⁶

The Saudi government also provides material support for WAMY. *Islamic Views* is an Arabic language book written by WAMY and printed by the **Saudi Government’s Armed Forces Printing Press**. Under the heading “The Prophet asks for Jihad,” *Islamic Views* says, “The Prophet Mohammad fought against the infidels and the Jews till he triumphed over them and conducted himself about twenty invasions and he sent tens of

²²¹ MiddleEast Newsfile, “Abdul Majeed launches IIRO charity drive; Emir donates SR300,000 to Three Organizations,” November 20, 2002.

²²² <http://www.saudinf.com/main/y2320.htm>, accessed July 27, 2003.

²²³ Scotsman Publication, “Terror Alliance Targets US Forces in Iraq,” June 15, 2003.

²²⁴ Wall Street Journal, “Reports Link Charity to an *Al-Qaeda* Front,” September 20, 2003.

²²⁵ <http://www.iiasa.org/researchcenter/symposium.htm>, accessed July 27, 2003.

²²⁶ <http://www.iiasa.org/researchcenter/symposium.htm>, accessed July 27, 2003.

regiments led by his companions for *Jihad*...**Damn from Allah to the Jews** who made graves of their prophets as Masjid.”²²⁷

Later, *Islamic Views* says Islam “is a religion of *Jihad*” and that *Jihad* “was an answer for the Jews, the liars.”

[T]each our children to love taking revenge on the Jews and the oppressors, and teach them that our youngsters will liberate Palestine and al-Quds when they go back to Islam and make *Jihad* for the sake of Allah.²²⁸

Islamic Views exhorts Muslims to wage “*Jihad* against the Satan,”²²⁹ and that “You should not back the Jews and the Christians and the Communists against the Muslims; the Communists, the Infidels, the Jews, and the Christians, those who do not believe in Mohammed. You should say they are infidels.”²³⁰

WAMY also directly supports terrorist attacks. WAMY invited Khaled Mishal, Political Head²³¹ of Hamas to their “Muslim Youth and Globalization” conference on October 29, 2002.²³² According to *Agence France Presse*, “[Mishal] was hugged and kissed by hundreds of participants.”²³³

The *Arab News* of April 12, 2002 reported, “The World Assembly of Muslim Youth (WAMY) has decided to raise its monthly contribution to Palestinian Intifada from SR3 million [\$800,000] to SR10 million [\$2.7 million]...”²³⁴ The increase in monthly aid to the Intifada was “in addition to the over \$70 million they had collected from donations through WAMY offices abroad and on special occasions.”²³⁵

WAMY has been particularly active in Pakistan, both in support of Afghan warlords and Kashmiri terrorists. According to a Pakistani Government website,²³⁶ WAMY is located at PO Box 1055 in Peshawar.²³⁷ The Office of Foreign Assets Control (OFAC) lists PO Box 1055, Peshawar, Pakistan as an address of the Specially Designated Global Terrorist Organization, Benevolence International Foundation (BIF).²³⁸

The Associated Press and CBS News report that WAMY’s Peshawar office was raided in November 2001 in a joint FBI-Pakistani intelligence operation.²³⁹ A WAMY employee

²²⁷ *Islamic Views*, Saudi Armed Forces Printing Press.

²²⁸ *Islamic Views*, Saudi Armed Forces Printing Press.

²²⁹ *Islamic Views*, Saudi Armed Forces Printing Press.

²³⁰ *Islamic Views*, Saudi Armed Forces Printing Press.

²³¹ *Christian Science Monitor*, “King Charts New Mideast Course,” September 24, 1999.

²³² *Agence France Presse*, “Muslim Youth Urged to Embrace ‘Moderate Islam’ at Riyadh Conference,” October 29, 2002.

²³³ *Agence France Presse*, “Muslim Youth Urged to Embrace ‘Moderate Islam’ at Riyadh Conference,” October 29, 2002.

²³⁴ *Arab News*, “WAMY to raise monthly contributions to Palestinian Intifada to SR10 million,” April 12, 2002.

²³⁵ *Arab News*, “WAMY to raise monthly contributions to Palestinian Intifada to SR10 million,” April 12, 2002.

²³⁶ www.ebp.gov.pk/epb/jsp/ngo.jsp, as of December 12, 2002

²³⁷ www.ebp.gov.pk/epb/jsp/ngo.jsp, as of December 12, 2002.

²³⁸ <http://www.treas.gov/offices/enforcement/ofac/sanctions/terrorism.html>, as of December 12, 2002.

²³⁹ *AP*, “Pakistan Questions Sudan Man About Tape,” December 9, 2002.

was subsequently questioned for hand delivering a recorded message from Osama bin Laden to local media.²⁴⁰ In that tape, bin Laden praised various terrorist attacks, including the Bali nightclub bombing that killed over 200 people, and the Chechen takeover of a theatre in Moscow that led to over 150 deaths.²⁴¹

Nazir Qureshi is assistant Secretary-General of WAMY. He has been accused by the Indian government of supplying money to Kashmiri terrorist groups headed by Syed Ali Shah Geelani.²⁴² The Pakistani paper The News reported on March 25, 2001 that the Pakistani youth organization *Jamiat Taleba Arabia* is the only Pakistan-based member organization of WAMY. The article continued, “WAMY is also involved in religious and *Jehadi* training for its member organizations.”²⁴³ According to The News, *Jamiat Taleba Arabia*, the WAMY member-organization, was:

involved in Afghanistan from the very beginning. It joined the *Jehad* in Kashmir as soon as the Kashmiris started their armed struggle in 1990 and was fully involved by 1993. The members of the *Jamiat Taleba Arabia* fought under the umbrella of Gulbadin Hekmatyar’s *Hizbe Islami* in Afghanistan and, in Occupied Kashmir, under the discipline of the *hizbul Mujahideen*²⁴⁴ ...Jehad has become the focus of the *Jamiat*’s activities in the last two decades.²⁴⁵

According to the Indian magazine *Frontline*, Mohammed Ayyub Thukar, President of the World Kashmir Freedom Movement,²⁴⁶ was a financier of *Hizbul Mujahideen*, a Kashmiri terror organization.²⁴⁷ During his exile in Saudi Arabia, Thukar was affiliated with MWL, WAMY, and the Muslim Brotherhood.²⁴⁸

Sardar Ija Afzal Khan, Amir of *Jamaat-e-Islami* since early June, 2002,²⁴⁹ “highlighted [the] freedom struggle of the Kashmiris at the forums of World Assembly of Muslim Youth...”²⁵⁰

The Indian government contends that “90 percent of the funding [for Kashmir militants] is from other countries and Islamic organizations like the World Association of Muslim Youth...”²⁵¹

Beyond the Middle East and India, WAMY works to immerse its students in its hateful ideology. For example, Philippine resident Zam Amputan told the Christian Science

²⁴⁰ AP, “Pakistan Questions Sudan Man About Tape,” December 9, 2002.

²⁴¹ AP, “Pakistan Questions Sudan Man About Tape,” December 9, 2002.

²⁴² The Press Trust of India, “Two Detained for Passing on Fund to Geelani,” June 12, 2002.

²⁴³ The News, “By the Book, for the Book,” March 25, 2001.

²⁴⁴ The News, “By the Book, for the Book,” March 25, 2001.

²⁴⁵ The News, “By the Book, for the Book,” March 25, 2001.

²⁴⁶ <http://www.flonnet.com/f1913/19131120.htm>, as of December 11, 2002.

²⁴⁷ <http://www.flonnet.com/f1913/19131120.htm>, as of December 11, 2002.

²⁴⁸ Ethnic Newswatch, “India Zooks in on Kashmir Militancy’s Chief Financier,” July 5, 2002.

²⁴⁹ Pakistan Newswire, “Sardar Ijaz Afzal elected as Amir JI, AJK,” June 6, 2002.

²⁵⁰ Pakistan Newswire, “Sardar Ijaz Afzal elected as Amir JI, AJK,” June 6, 2002.

²⁵¹ <http://www.bvk.org/articles/0402/133.html>, as of December 11, 2002.

Monitor that WAMY paid for him to attend a *madrassah* in Peshawar in 1987. According to the Monitor, "There he was exposed to the Wahhabi ideology." Amputan told the Monitor he returned to the Philippines "thinking of ways to create a separate Islamic state in the Southern Philippines."²⁵² The Washington Quarterly reports that "IRO is not the only charitable organization in the Philippines suspected of financing terrorism. Manila is investigating five other Muslim charities active in the Philippines...[including] the World Alliance of Muslim Youth..."²⁵³

Similarly, according to Professor S.V. Seshagiri Rao, the organization *Deendar Anjuman* "was involved in militant activity in Bosnia, Kosovo and Chechnya through the World Association of Muslim Youth (WAMY), a Saudi Arabia based fundamentalist outfit."²⁵⁴ *Deendar Anjuman* is banned by the Indian government.²⁵⁵

WAMY may also be tied to the 1993 World Trade Center bombing. When Ahmed Ajaj was arrested in 1992²⁵⁶ investigators confiscated his belongings. Among them was an official WAMY envelope printed with the organization's return address in Saudi Arabia.²⁵⁷ After serving a six-month prison term for attempting to enter the U.S. with a false passport, Ajaj was released.²⁵⁸ Ajaj was rearrested and convicted in connection to the 1993 World Trade Center bombing on March 4, 1994. He was sentenced to 240 years in prison on May 24, 1994.²⁵⁹

The envelope marked "WAMY" contained a manual titled "Military Lessons in the *Jihad* Against the Tyrants that detailed how to establish and maintain clandestine cells."²⁶⁰ The same manual, with several added sections, was found in the London apartment of African Embassy bomber Khalid al-Fawwaz in 1998.²⁶¹ Fawwaz has since been indicted, and the United States is seeking his extradition from England.²⁶²

The Ajaj manual refers repeatedly to the role and importance of the "youth" in carrying out *Jihad* and re-establishing Muslim rule.²⁶³ The manual's "dedication" says, "what [the apostate regimes] know is the dialogue of bullets, the ideals of assassination, explosion and destruction, and the politics of the machine gun."²⁶⁴ It continues:

An Islamic state has not and will not be formed through peaceful solutions or through the Assemblies of Polytheism. It will be

²⁵² Christian Science Monitor, "The Tenets of Terror," October 18, 2001.

²⁵³ Washington Quarterly, "Forging an Indirect Strategy in Southeast Asia," Spring 2002.

²⁵⁴ <http://groups.google.com/groups?q=wamy+bosnia&hl=en&l=&ie=UTF-8&oe=UTF-8&selm=8je2q%24ce1%241%40nnp1.deja.com&mnum=7>

²⁵⁵ Times of India, "2 Deendar Activists held," May 11, 2002. See also: <http://www.hinduonnet.com/thehindu/2001/05/04/stories/01040007.htm>.

²⁵⁶ Newsday, "New Suspect Charged in WTC Blast," May 7, 1993.

²⁵⁷ United States of America v. Usama Bin Laden, et al. S5 93 CR 180, Government Exhibit 2800-A.

²⁵⁸ Washington Post, 'Retracing the Steps of a Terror Suspect; Accused Bomb Builder Tied to Many Plots,' June 5, 1995.

²⁵⁹ Chicago Sun-Times, "Trade Center Bombers Sentenced to 240 yrs," May 24, 1994.

²⁶⁰ New York Times, "A Sixth Suspect Charged in Blast," May 7, 1993.

²⁶¹ Guardian Unlimited, "Crackdown on British Cell," September 23, 2001 AND United States of America v. Usama Bin Laden, et al. S5 93 CR 180, Government Exhibit 2800-A.

²⁶² Sunday Telegraph, "We Have Made a Paradise for Terrorists in Our Own Backyard," May 4, 2003.

²⁶³ United States of America v. Usama Bin Laden, et al. S5 93 CR 180, Government Exhibit 2800-A.

²⁶⁴ United States of America v. Usama Bin Laden, et al. S5 93 CR 180, Government Exhibit 2800-A.

formed as it did through the written words and the gun, through the word and the bullet.

The manual instructs that “the principal mission for the military organization is to overthrow the atheist regimes and replace them with Islamic ones,” and lists strategies such as kidnapping enemy soldiers, assassinating personnel and foreign tourists, spreading rumors, and blowing up, destroying, and sabotaging places of entertainment as secondary duties of the military organization. The ultimate goal, repeated over and over, is “get[ting] rid of people who stand in the way of the Islamic Call,” and “establishing an Islamic State.”²⁶⁵

The manual goes on to provide in-depth instructions for obtaining and storing false documents, finding housing, obtaining and storing weapons, conducting reconnaissance, planning attacks, carrying out attacks, avoiding detection, and using other tactics.²⁶⁶

When asked about accusations that WAMY is a funding front for terrorists, Secretary-General Dr. Saleh al-Wohaibi “blamed the Zionist-controlled media and anti-Islamic organizations in the US...”²⁶⁷

WAMY in the United States

WAMY has provided financial support to the US-based Council on American-Islamic Relations (CAIR), a civil rights organization which received some of its initial seed money from the Holy Land Foundation for Relief and Development (HLFRD). On December 4, 2001, the Treasury Department listed HLF as a Specially Designated Terrorist. According to Treasury Department, HLF “raises millions of dollars annually that is used by HAMAS.”

CAIR’s founders Nihad Awad and Omar Ahmed came from leadership positions of the Islamic Association for Palestine (IAP).

An August 2002 court decision against the Holy Land Foundation states “the Islamic Association for Palestine has acted in support of Hamas.”²⁶⁸

According to Steven Pomerantz, a retired FBI Assistant Director who also served as Chief of the FBI Counterterrorism section in the mid to late 1980’s:

“...CAIR has defended individuals involved in terrorist violence, including Hamas leader Musa Abu Marzouk, and he has embraced people who have engaged in promoting violence or hateful and bigoted rhetoric. The modus operandi has been to falsely tar as ‘anti-Muslim’ the U.S. government, counter-terrorist officials, writers, journalists and others who have investigated or exposed the threat of Middle East based terrorism...”²⁶⁹

²⁶⁵ United States of America v. Usama Bin Laden, et al. S5 93 CR 180, Government Exhibit 2800-A.

²⁶⁶ United States of America v. Usama Bin Laden, et al. S5 93 CR 180, Government Exhibit 2800-A.

²⁶⁷ Arab News, “WAMY Keen to Boost its Activities Despite Smear Campaign: Wohaibi,” August 27, 2002.

²⁶⁸ Holy Land Foundation for Relief and Development vs. John Ashcroft in his official capacity as Attorney General of the United States. Civil Action # 02-422 (GK)

²⁶⁹ Spring 1998 Journal of Counterterrorism & Security International

Despite CAIR's statement in November 2001 that they "...do not support directly or indirectly, or receive support from, any overseas group or government,"²⁷⁰ it appears that the Saudi-based WAMY has funded CAIR both before and after this proclamation.

According to a December 23, 1999 *Arab News* article, Dr. Hamid Shaygi, assistant Secretary General of WAMY announced at a Riyadh press conference, with Nihad Awad in attendance, that WAMY "was extending both moral and financial support to CAIR in its effort to construct headquarters at a cost of \$3.5 million in Washington, DC." The article continued saying WAMY would also "introduce CAIR to Saudi philanthropists and recommend their financial support for the headquarters project."²⁷¹

In 1998, the *Saudi Gazette* reports that CAIR's Executive Director Nihad Awad addressed a press conference at the WAMY headquarters in Riyadh, Saudi Arabia. According to the report, "He [Awad] said CAIR needed funds to fight discrimination against Muslims, to promote the true image of Islam and to combat the anti-Islamic propaganda."²⁷²

In 2002, the *Muslim World* reported that WAMY was extending its support to CAIR for its media campaign in the US.²⁷³

CAIR has also received funds in part by the International Islamic Relief Organization (IIRO). The 1997 tax form 990 for the International Relief Organization (IRO) lists a grant to CAIR for \$10,000. The 1995 tax form 990 for the IRO lists a grant to CAIR for \$2,172.

QATAR CHARITABLE SOCIETY (QCS)

Another humanitarian organization actively financing *Al-Qaeda* and other designated international terror groups is the Qatar Charitable Society (QCS), the oldest and largest such group in Qatar.²⁷⁴ QCS is a part of the Islamic Coordination Council (ICC), a coordinating body of Muslim charitable groups established in 1985 in Peshawar, Pakistan to maximize the financial assistance reaching Afghanistan.²⁷⁵ Shaykh Abdullah Azzam was a member of the ICC leadership prior to his assassination in Peshawar in 1989.²⁷⁶ Other ICC members include the IIRO, the SRC, and WAMY.²⁷⁷

Much like the various Saudi charities that have funded *Al-Qaeda* over the past decade, QCS draws much of its funding primarily from official sources, including the Qatari

²⁷⁰ Press Release from CAIR National, *Islamaphobe Smear Campaign Goes Public*, November 8, 2001.

²⁷¹ "WAMY spends SR12m on new mosques," *Arab News*, December 23, 1999

²⁷² "Nike Violating agreement on Offensive Logo says CAIR, *Saudi Gazette*, July 3, 1998

²⁷³ *The Muslim World*, page 1, "WAMY supports CAIR campaign against US anti-Islamic sentiment," November 29, 2002

²⁷⁴ "Voluntary and Charitable Organizations." <http://www.dohaislamicsummit.org/qatar/english/islamic-e.htm>. March 1, 2003.

²⁷⁵ <http://www.yellowpages.liwal.net/asistance/icc.htm>. March 1, 2003.

²⁷⁶ Middle East Policy, "The new global threat: transnational Salafis and Jihad," December 1, 2001.

²⁷⁷ <http://www.yellowpages.liwal.net/asistance/icc.htm>. March 1, 2003.

government itself. In October 2002, the Emir of Qatar, Shaykh Hamad bin Khalifa Al Thani, and the Qatari Foreign Minister, Shaykh Hamad bin Jassem bin Jabr Al Thani, invited the President of QCS, Shaykh Abdul Aziz bin Abdulrahman Al Thani, to join them in high-level meetings with the visiting United Nations High Commissioner for Relief, Ruud Lubbers.²⁷⁸ An advertisement for QCS relief activities in Kosovo refers to a collaborative partnership with the state-supported Qatar Red Crescent Society.²⁷⁹ Moreover, until recently, a WHOIS²⁸⁰ lookup of the Qatar Charitable Society's website (www.qsociety.org) listed Hashem Hussein as both the Administrative and Billing Contact for the site. His corresponding e-mail address, "hashim@MMAA.GOV.QA," indicates that Mr. Hussein was an employee of the Qatari Ministry of Municipal Affairs and Agriculture.

More recently, a VIP social event was organized by QCS in Bosnia to inaugurate a new relief project ordered by a "Decree of His Excellency the Emir [of Qatar]." The party was attended by, among others, Ambassadors from Egypt, Saudi Arabia, Libya, and Iran.²⁸¹

According to its website, the Qatar Charity Society "aims to offer relief and help to orphans, victims of war and disasters by supporting them financially, socially and culturally up to the age of eighteen. QCS aids widows to meet living expenses, particularly those who lost all relatives and friends."²⁸² By 1995, QCS claimed to have initiated over 250 projects worldwide in thirty-five countries including India, Pakistan, Bangladesh, Afghanistan, Somalia, Sudan, Bosnia, Palestine, Yemen, and the Philippines.²⁸³ In one fiscal quarter of 1997 alone, QCS was reportedly engaged in worldwide projects estimated at a total value of over 3 million Qatari Riyals.²⁸⁴ QCS advertised twenty numbered bank accounts in the Qatar Islamic Bank and the Qatar International Islamic Bank ready to receive wired donations from at home and abroad.²⁸⁵

QCS' charitable mission acted as a cover for its material support to terrorists. In trial proceedings surrounding the prosecution of individuals associated with the African Embassy bombings, QCS was named as a major financial conduit for *Al-Qaeda*. Former *Al-Qaeda* member and star government witness Jamal Al-Fadl testified how he had worked closely with QCS in 1993.²⁸⁶ Al-Fadl was asked to discuss Dr. Abdullah Mohamed Yousef, a fundamentalist veterinarian and director of QCS. He explained:

The guy [Yousef], he runs a group, he is one of our membership, one of the *Al-Qaeda* group membership, and also he is [Sudanese] Islamic National Front membership,

²⁷⁸ "UNHCR briefing notes: Liberia, Côte d'Ivoire, Rwanda." <http://www.relfeweb.int>. Dated October 12, 2002.

²⁷⁹ "Urgent Relief for the Muslims of Kosovo." http://www.qcharity.org/genglish/images/kosovo/new_page_2.htm. March 1, 2003.

²⁸⁰ www.register.com.

²⁸¹ "Qatar Relief Organization Builds 112 Houses for the Bosnian Returnees." *Al-Rayah*. August 31, 2002.

²⁸² <http://www.qcharity.org/genglish/index.html>. March 1, 2003.

²⁸³ *Riyadh Daily*. "Qatar organization carry out welfare projects." January 13, 1995.

²⁸⁴ *Middle East News Items*. "Projects carried out by Qatar Charitable Society," September 8, 1997.

²⁸⁵ <http://www.qcharity.org/genglish/banks.htm>. March 1, 2003.

²⁸⁶ *United States of America v. Usama Bin Laden, et al.* February 6, 2001. Testimony Transcript; Page 329.

and he was in Afghanistan. So he helped our people for the travel, documents, and also if some money come from the Gulf area to the organization, he gives the group some money from that money.²⁸⁷

In the Sudan, QCS actively aided radical quasi-official militias associated with the National Islamic Front (NIF) in fighting the Christian and animist groups of the South. In a fundraising brochure for the Sudan distributed by QCS in Qatar, the Society appealed to its donors to help protect "our brotherly Sudan" from "wild savage invaders," who were accused of "destroying the Sudanese territorial integrity, security, stability, and unity." The brochure further noted, "Every tiny support is great and important especially in this holy month, Ramadan. It is the month of Allah [sic] blessings...and the month of 'Jihad' in one's person, one's wealth, and one's dwellings. Support for those brave heroes who are sacrificing their persons will be of great mercy, forgiveness and freeing from the Hell fire."²⁸⁸ During one short period of 1999 alone, the chairman of the QCS reported the transfer of 1 million Qatari Riyals in the form of "emergency aid" to the Sudan.²⁸⁹

In 1995, Osama bin Laden reportedly confirmed to Jamal Al-Fadl that \$20,000 supplied by Dr. Abdullah Yousef through QCS was used by *Al-Qaeda* to bankroll the attempted assassination plot that year against Egyptian President Hosni Mubarak in Addis Ababa, Ethiopia. At the time, bin Laden sternly rebuked the financiers of the abortive terror plot for their carelessness in concealing the true source of the funds, and expressed serious concerns that "*Al-Qaeda's* abilities to use charities to fund operations might be compromised as a result."²⁹⁰

During the mid-1990s, Dr. Yousef used the Qatar Charitable Society's resources to serve the financial needs of the Eritrean Islamic Jihad Movement (EIJM).²⁹¹ At the time, EIJM recruits, seeking to overthrow their own government and replace it with an Islamic regime, were receiving military training from senior *Al-Qaeda* lieutenants in the Sudan after having been recruited to follow Osama bin Laden's international agenda. Several years later, the Deputy Emir of EIJM, Abul Bara' Hassan Salman, confirmed in an interview, "As for the latest Christian onslaught which is being led by America...I say to the Muslim people everywhere: supporting Jihad and the *Mujahideen* is the way to remove the nightmare of degradation and humiliation which has rested on the chests of our community in its various forms."²⁹²

²⁸⁷ United States of America v. Usama Bin Laden, et al. February 6, 2001. Testimony Transcript; Page 330.

²⁸⁸ <http://www.qcharity.org/qenglish/helpsuda.htm>. Dated December 27, 1997.

²⁸⁹ *Al-Rayah*. August 16, 1999.

²⁹⁰ "Government's Evidentiary Proffer Supporting the Admissibility of Co-Conspirator Statements." United States of America v. Enaam M. Arnaout. United States District Court Northern District of Illinois, Eastern Division. Case #: 02 CR 892. January 31, 2003. Page 103.

²⁹¹ United States of America v. Usama Bin Laden, et al. February 6, 2001. Testimony Transcript; Page 330.

²⁹² "The Governing Regime is a Terrorist Regime Which Acts With Enmity Against the Eritrean People": An Interview with the Deputy Amir of the Eritrean Islamic Jihad Movement - Abul Bara' Hassan Salman." *Nida'ul Islam*. Issue 22; February-March 1998.

Outside of Africa, the Qatar Charitable Society was also extremely active in the Balkans and the turbulent Muslim republics of the Caucasus. In November 1994, one Egyptian QCS "aid worker" was killed and another badly burned in a mysterious "gas explosion" in Sarajevo.²⁹³ QCS also helped distribute a collection of fundamentalist articles titled "Obstacles to the Islamic Resurgence" edited by former Bosnian President Alija Izetbegovic.²⁹⁴ In the wake of September 11, Izetbegovic stepped down amid controversy that his administration had provided safe haven and travel documents to hundreds of Muslim militants loyal to *Al-Qaeda*.²⁹⁵

In October 2001, the Azerbaijan Ministry of Justice forcibly closed down its own local QCS office for, "under the guise of charity," conducting "damaging activities that violate our national interests, as well as [cooperating] with terrorist structures and [distributing] propaganda inciting radical sectarianism, religious hatred and fanaticism."²⁹⁶ In 1995, a QCS office founded in neighboring Daghestan (adjacent to Chechnya) dispensed 3 million Qatari Riyals in less than two years.²⁹⁷ Russian intelligence became suspicious when they discovered that the QCS branch was being run by an Egyptian citizen named Yasir Ibrahim. Daghestani state tax police initiated an inquiry into the organization, and uncovered forged documents and invoices detailing hundreds of thousands of dollars of illicit financial transactions. From the evidence they collected, investigators estimated that QCS had given perhaps as much as \$1 million to unspecified "Chechen extremists." The Russians found, "most of the 'charitable contributions'...were not recorded anywhere. The same goes for how the money was distributed."²⁹⁸

By liquidating charity bank accounts into untraceable cash withdrawals in war-torn states (often with no reliable banking systems), QCS was able to make this money simply disappear. Journalists confronted Qatari Foreign Minister Hamad Bin Jasim Bin Jabr Al-Thani with Russian allegations that QCS was openly and actively supporting "certain Arab individuals...fighting with the Chechen fighters." With little reflection, Al-Thani flatly admitted that, indeed, this might be the case:

[W]e as a government cannot control the aid going abroad, some of which may go for humanitarian goals, and some may start as humanitarian but end up in another way. However, there is no monitoring because people are sympathizing...We as a government may be able to control our sympathy, although in the end we are only human beings and

²⁹³ Agence France Presse, "Egyptian aid worker, injured in gas explosion, due for evacuation," November 26, 1994.

²⁹⁴ http://www.qcharity.org/qenglish/book_1.jpg. March 1, 2003.

²⁹⁵ <http://www.aimpress.org/dyn/trae/archive/data/200110/11030-002-trae-sar.htm>, accessed July 30, 2003. See also: SRNA News Agency, "Muslim leader denies there are Bin-Ladin's supporters in Bosnia," Broadcast in Serbo-Croat language in Bijeljina, October 9, 2001.

²⁹⁶ Interfax News Agency, "Azerbaijan closes offices of Arab relief organizations due to illegal activity," April 10, 2002. See also: Turan News Agency (Baku), "Azerbaijan shuts down Kuwaiti, Qatar charity organizations," Broadcast in Russian language, April 9, 2002.

²⁹⁷ Al-Riyah, "Charity denies Russian charges of assisting Dagestan rebels," September 20, 1999.
²⁹⁸ Segodnya (Moscow). November 16, 1999.

Muslims...[t]herefore we cannot restrain the people's feelings in this regard.²⁹⁹

Even after the September 11 suicide hijackings, the Qatari regime has resisted to US efforts to curtail *Al-Qaeda* fundraising through religious charities, including the Qatar Charitable Society.³⁰⁰ In September 2001 QCS' official newsletter carried an article titled "Jihad is the Solution!" The author urged faithful Muslims:

The only way to liberate Palestine is the holy Jihad which mobilizes all potentialities in the Arab and Islamic countries, and in which all Muslims stand as one behind the *Mujahideen* and support them in their Jihad...The time has come for Muslims to follow in the footsteps of *Salahudeen* and to restore Jerusalem and Palestine to the Arabs and the Muslims. For Jerusalem is in your hands, Oh, Muslims. There is no solution to the matter save Jihad. 'You shall readily mobilize, light or heavy, and strive with your money and your lives in the cause of GOD. This is better for you, if you only knew.' (Quran 9:41)³⁰¹

Conclusion

Due to the release of the Joint Inquiry Report, the Saudi government's role in funding and supporting terrorism has taken center stage in the U.S. war on terror. Notwithstanding the decision to redact an embarrassing 28 pages from the report, the Saudis remain firmly under the microscope as prime engineers of Islamic radicalism throughout the globe. Since the 9/11 attacks, the U.S. has enjoyed some success in shutting down Saudi charities, such as the Benevolence International Foundation, that raised money for the violent terrorist group Hamas and Al-Qaeda, among others.

Yet there needs to be a more comprehensive government investigation into Saudi conduits for terrorism and Islamic extremism, as evidenced by the evidence showing ties between WAMY, the Saudi Red Crescent, the *Al-Haramain* Foundation and a host of other Saudi-funded entities. Even greater scrutiny needs to be focused on these and all Saudi charities and organizations operating within the United States, regardless of their stated humanitarian goals.

The U.S. must demand the Saudis display the maximum amount of cooperation in rooting out and containing the terrorist threat. This means the immediate cessation of funding to any charitable group or organization that the U.S. deems a terrorist sponsor or front. The Saudis themselves must also do a much more efficient job of locating and apprehending *jihadists* within Saudi Arabia in order to prevent future attacks similar to 9/11.

²⁹⁹ *Al-Jazeera Television*, Bin Qinnah, Khadijah. "Minister denies Russian report on funding for Chechen militants," Broadcast in Arabic language, November 22, 1999.

³⁰⁰ *Agence France Presse*, "Noose tightens around Islamic charities in Gulf," October 3, 2001.

³⁰¹ *Qatar Charitable Society Magazine*, "Oh Muslims, Jerusalem is calling you! Jihad is the Solution!" September 2001.

If the United States is to prevent another 9/11 from happening again, our government must let evidence of Saudi fingerprints to terrorism be acted upon by law enforcement without any special treatment or exemptions from prosecution or investigations. If Saudi foundations or conduits are operating in the United States with evidence tying them to terrorist groups, then the principles of equal treatment under the law should apply. The Department of Justice, Treasury, and FBI ought to be fully empowered to investigate and prosecute suspected terrorist conduits and just as much as it prosecutes indigenous Americans who violate the law. Being outside the United States is no longer grounds for immunity from prosecution for terrorism; and being of foreign wealth should long ago have ended corrupt deals in which wealthy foreigners escape the reach of American justice.

The security of the American people should always come before any relationship governed by the accumulation of petrodollars. The anti-Western, anti-Semitic vitriol found in state-sponsored Saudi textbooks and preached by high-ranking Saudi clerics is an indicator of just how far apart U.S. and radical Saudi interests presently lie. In the end, the very integrity of the Saudi regime is at stake as was demonstrated by the recent series of suicide bombings in Riyadh.

If Saudi money has been funneled to Al Qaeda and Hamas, and continues to fund much of the worldwide terror network, this information should be made available for public consumption. A candid reassessment of the U.S. relationship with Saudi Arabia, sorely needed in light of the Joint Inquiry Report, is impossible unless the United States puts aside its old loyalties to protecting the Kingdom of Saudi Arabia and seriously confronts the nefarious influence posed by the flow of funds to terrorist conduits. Unless the terrorist connections are severed and unless Saudi institutions stop preaching and exporting the inflammatory Wahhabi Islamic doctrine, the war on terrorism will never be won; we will be permanently relegated to hopelessly trying to win a battle against smoke and mirrors where reality is inverted in a charade designed to protect special interests rather than unravel them. Two years after 9/11, the time has come to stop the charade.

In the name of God, the Compassionate, the Merciful



Council on American-Islamic Relations

453 New Jersey Avenue, SE
Washington, DC 20003-2604
Tel: 202-488-8787
Fax: 202-488-0833

August 13, 2003

The Honorable Susan M. Collins
Senate Committee on Governmental Affairs
340 Dirksen Senate Office Building
United States Senate
Washington, DC 20510

Dear Chairwoman Collins:

On behalf of the American Muslim community, I ask you to please submit this statement for the record.

CAIR is North America's largest mainstream civil rights and advocacy group that serves the American Muslim community by protecting their rights to practice their faith, participate fully in our nation's civic life and live as contributing members of American society. We are a non-partisan, non-sectarian organization that does not promote anything other than mainstream and moderate Islamic beliefs and practices. We have consistently condemned terrorism in all its forms.

It is my unfortunate duty to express our deep concerns about an unbalanced panel, and particularly, the statement of Steven Emerson, who testified before the Senate Committee on Governmental Affairs on July 31, 2003. Mr. Emerson is a highly controversial figure, best known for his controversial 1994 PBS program "Jihad in America." Muslims say he has a long history of defamatory and inaccurate attacks on the Islamic community in this country. Mr. Emerson rashly claimed Muslims were behind the 1995 bombing in Oklahoma City, asserting the bombing showed a "Middle Eastern trait" because it "was done with the intent to inflict as many casualties as possible." Mr. Emerson wrongly attributed the 1996 downing of TWA Flight 800 to Muslims and once said Islam sanctions "genocide...as part of its religious doctrine." (CBS News, 4/19/95; Reuters, 7/31/96 and CNBC, *Rivera Live*, 8/23/96; *Jewish Monthly*, 3/95)

CAIR is an independent organization. We are not influenced by any foreign movement or government. We represent the interests of all Muslims in America, regardless of ethnicity or national origin. In light of this scrutiny on foreign Muslim organizations, it is important that CAIR, a domestic Muslim organization, be given the opportunity to represent itself and refute any false claims against it.

A large portion of Mr. Emerson's testimony deals with a possible connection between the World Assembly of Muslim Youth (WAMY) and terrorist groups. Mr. Emerson irresponsibly

implies that CAIR has received financial support from WAMY to build our DC headquarters. This claim is unfounded. Notwithstanding our amicable relationship, CAIR did not receive financial support to build our DC headquarters from WAMY. In fact, it is well known that our DC headquarters were funded largely by a grant from the Islamic Development Bank (IDB), a multinational financial institution similar to the World Bank.

Mr. Emerson falsely claims that CAIR received some of its "initial seed money" from the Holy Land Foundation for Relief and Development (HLFRD). Our organization did not receive any seed money from HLFRD. CAIR raises its own funds and Mr. Emerson has not provided a shred of evidence to show otherwise.

We support all lawful and legitimate efforts to combat terrorism against our nation. CAIR has worked and continues to work with local and national law enforcement agencies on many security-related issues. Our cooperation with the FBI has included a joint news conference in Florida seeking the Muslim community's help in finding a terror suspect, as well as a number of workshops, town hall meetings and sensitivity training sessions across the country. In order to facilitate the needs of the Justice Department, CAIR has commissioned numerous publications including *A Correctional Institution's Guide to Islamic Religious Practices* and *Law Enforcement Official's Guide to the Muslim Community*.

CAIR is a widely-respected organization that seeks to ensure that Islam and the American Muslim community are portrayed accurately and objectively. We serve all Muslims regardless of affiliation or level of practice.

We applaud the timeliness of the committee hearing on terrorism financing, but we are very much concerned that a biased and unbalanced panel will not serve the best purpose of the hearing. Indeed, it is in the interest of all Americans, including Muslims, to disrupt funds that are dispersed to terrorist groups. We urge you to closely scrutinize the inflammatory and unsubstantiated statements made by Mr. Emerson, which mislead the committee. We urge you to completely disregard any such statements.

We humbly request a meeting with you to address these issues and are willing to provide answers to any concerns you may have.

Thank you for your prompt attention to this matter.

Sincerely,

Nihad Awad
Executive Director

From FAIR (Fairness and Accuracy in Reporting)
<http://www.fair.org/extr/9901/emerson.html>

As Emerson's fame mounted, so did criticism. Emerson's book, *The Fall of Pan Am 103*, was chastised by the **Columbia Journalism Review**, which noted in July 1990 that passages "bear a striking resemblance, in both substance and style" to reports in the **Post-Standard** of Syracuse, N.Y. Reporters from the Syracuse newspaper told this writer that they cornered Emerson at an Investigative Reporters and Editors conference and forced an apology.

A **New York Times** review (5/19/91) of his 1991 book *Terrorist* chided that it was "marred by factual errors...and by a pervasive anti-Arab and anti-Palestinian bias." His 1994 PBS video, *Jihad in America* (11/94), was faulted for bigotry and misrepresentations--veteran reporter Robert Friedman (**The Nation**, 5/15/95) accused Emerson of "creating mass hysteria against American Arabs."

Emerson was wrong when he initially pointed to Yugoslavians as suspects in the World Trade Center bombing (CNN, 3/2/93). He was wrong when he said on **CNBC** (8/23/96) that "it was a bomb that brought down TWA Flight 800."

Emerson's most notorious gaffe was his claim that the 1995 Oklahoma City bombing showed "a Middle Eastern trait" because it "was done with the intent to inflict as many casualties as possible." (**CBS News**, 4/19/95) Afterward, news organizations appeared less interested in Emerson's pronouncements. A **CBS** contract expired and wasn't renewed. Emerson had been a regular source and occasional writer for the **Washington Post**; his name doesn't turn up once in **Post** archives after Jan. 1, 1996. **USA Today** mentioned Emerson a dozen times before September 1996, none after.

"He's poison," says investigative author Seymour Hersh, when asked about how Emerson is perceived by fellow journalists.

Dubious document

Yet Emerson seems irrepressible. In 1997, for example, an **Associated Press** editor became convinced that Emerson was the "mother lode of terrorism information," according to a reporter who worked on a series that looked at American Muslim groups.

As a consultant on the series, Emerson presented AP reporters with what were "supposed to be FBI documents" describing mainstream American Muslim groups with alleged terrorist sympathies, according to the project's lead writer, Richard Cole. One of the reporters uncovered an earlier, almost identical document authored by Emerson. The purported FBI dossier "was really his," Cole says. "He had edited out all phrases, taken out anything that made it look like his."

Another AP reporter, Fred Bayles, recalls that Emerson "could never back up what he said. We couldn't believe that document was from the FBI files."

Emerson's contribution was largely stripped from the series, and he retaliated with a "multi-page rant," according to Cole. AP Executive Editor Bill Ahearn does not dispute that the incident happened, but refuses to comment or to release documents because the episode was deemed an "internal matter." A ranking AP editor in Washington says: "We would be very, very, very, very leery of using Steve Emerson."

Also during Emerson's lean years, he scored a November 1996 hit in the **Pittsburgh Tribune-Review** (11/3/96)—owned by right-wing Clinton-basher Richard Mellon Scaife, who also partially funded *Jihad in America*. Considering Scaife's patronage, it is not surprising that Emerson declared that Muslim terrorist sympathizers were hanging out at the White House. Emerson had a similar commentary piece printed three months earlier in the **Wall Street Journal** (8/5/96), one of the writer's few consistent major outlets.

**Responses of John S. Pistole
Acting Assistant Director
Counterterrorism Division, Federal Bureau of Investigation
Based Upon July 31, 2003 Testimony
Before the Senate Committee on Governmental Affairs**

Question Posed by Senator Lautenberg

- 1. Are the multilateral initiatives intended to curtail terrorist financing working? How successful are the anti-money laundering programs run by the UN Counter-Terrorism Committee, the International Monetary Fund, the World Bank, and the Financial Action Task Force? Is the G-7 a good forum for international counter-terrorism endeavors?**

Response:

Multilateral initiatives intended to encourage governments to take action to curtail terrorist financing are definitely working. A principal international forum in which the United States participates is the Financial Action Task Force (FATF) of the Organization for Economic Cooperation and Development (OECD). The FATF is involved in various anti-money laundering initiatives. In particular, it has issued 40 recommendations to combat money laundering; it has developed a list of non-cooperating countries in money laundering; and, with respect to terrorist financing, FATF has made eight special recommendations. These recommendations are the international standards for effective and efficient anti-money laundering and anti-terrorist financing efforts. FATF encourages its member states and other countries to adopt its recommendations and implement them in domestic laws, and this has led to the adoption of anti-money laundering legislation in many countries. FATF has proven to be a highly effective forum for the development of anti-money laundering techniques and, since 9/11, has been particularly effective in addressing terrorist financing. The Departments of the Treasury and Justice, through the Asset Forfeiture and Money Laundering Section, regularly participate in negotiations and discussions at the FATF. Representatives of the FBI's Counterterrorism Division and the Criminal Division's Counterterrorism Section have made periodic presentations at the FATF.

The Department of Justice, with the indirect assistance of the FBI, has also actively supported the multi-lateral anti-money laundering and anti-terrorist financing efforts of the Organization of American States (OAS) through its anti-narcotics subcommittee (CICAD) and its anti-terrorism committee (CICTE).

In addition to the multilateral initiatives at the FATF and the OAS, the FBI's Terrorist Financing Operations Section (TFOS) and Training Division have participated with the Department of Justice, the IRS, and the State Department in

raising an awareness of terrorist financing issues in target countries. These bilateral and multilateral training initiatives, which address both money laundering and the use of powerful asset forfeiture statutes to disrupt and dismantle criminal and terrorist organizations, have enhanced interagency awareness and promoted greater cooperation with foreign counterparts in the criminal, intelligence and financial sectors. This training is scheduled to expand in 2004.

The role of the G-7 and G-8 (G-7 plus Russia) to encourage governments to adopt laws curtailing money laundering cannot be overemphasized. The international monetary flow includes the proceeds of transnational crime and provides a conduit for the financing of terror. The G-7/G-8, with its working group on terrorist financing, can exercise substantial influence in shaping monetary policy and encouraging other countries to enact anti-money laundering laws. It is important that the G-7/G-8 approach the problem with a unified strategy and, like FATF, set standards which other countries can use as a model to develop and measure effective anti-money laundering laws.

Questions Posed by Senator Akaka

1. You responded in the affirmative to my question as to whether there was adequate funding for personnel and training. Given that most federal agencies are expecting a huge wave of retirements within the next few years, what is the FBI's Counterterrorism Division doing to fill this expected void in an area as critical to our nation's security?

Response:

The following reflects the number of separations within the FBI over the past three years and for FY 2003, effective through 8/31/03, broken down by Special Agent (SA) and support. The total number of separations includes individuals leaving due to mandatory, disability, and voluntary retirement.

FBI Separations						
FY	Total SAs in FBI at end of each FY	Total SA Separations (including resignations, removals, deaths)	Percentage of the SA Population	Total Support in FBI at end of each FY	Total Support Separations (including resignations, removals, deaths)	Percentage of the Support Population
2000	11,399	575	5.0%	16,218	744	4.5%
2001	11,122	530	4.8%	15,715	642	4.0%
2002	11,507	570	4.9%	15,612	708	4.5%
2003	11,723	486	4.1%	15,991	616	3.8%

The following reflects the number of SAs who will become eligible for retirement in FYs 2004 and 2005. This does not include the 1,227 SAs who are currently eligible for retirement but choose to remain on the rolls. Based on the trend for the past three to four FYs, it is anticipated that between 400 - 500 SAs may retire during each of the next two FYs.

- FY 2004: 434 (eligible)
- FY 2004: 135 (mandatory)

- FY 2005: 342 (eligible)
- FY 2005: 129 (mandatory)

The following reflects the number of support personnel who will become eligible for retirement in FYs 2004 and 2005. This does not include the 841 support employees who are currently eligible for retirement but choose to remain on the rolls. Based on the trend for the past three to four FYs, it is anticipated that between 300 - 400 support personnel may retire during each of the next two FYs.

- FY 2004: 379
- FY 2005: 385

The FBI's recruiting efforts have become increasingly aggressive over the past few years to enable us to fill newly budgeted vacancies and positions created through the FBI's reorganization to meet our expanding responsibilities. Future staffing goals will be established by factoring in newly authorized positions, current staffing levels, and anticipated short and medium term attrition. The FBI

continues to streamline and enhance its application and hiring processes. Vacancies deemed critical to the top priorities of the FBI, including investigative analysts (such as Intelligence Research Specialists, Intelligence Operations Specialists, Investigative Analysts, and Financial Analysts) and Language Specialists, will receive priority processing. In addition, the FBI will continue to aggressively recruit highly qualified candidates to the Special Agent ranks. These efforts will assist the FBI in meeting its staffing goals and will help to minimize vacancies due to the separation of current employees.

2. **The joint Congressional inquiry into the terrorist attacks of September 11, 2001 reported that "[t]he linguistic expertise needed to identify, analyze, and disseminate intelligence relating to the al-Qa'ida threat includes an understanding of colloquial expression in..." "terrorist languages" and dialects... The majority of Intelligence Community language employees, however, do not have the skills necessary to understand terrorist communications."** Do you agree with the joint inquiries, and what steps is the FBI taking to address any deficits in language skills?

Response:

The FBI disagrees with the statement that "[t]he majority of Intelligence Community language employees . . . do not have the skills necessary to understand terrorist communications" when that statement is applied to translators supporting the FBI's Foreign Language Program (FLP). More than 95% of all FBI translators are native speakers of the foreign language. Their native-level fluencies ensure not only a firm grasp of colloquial and idiomatic speech, but also of religious, cultural and historical references needed to effectively perform the wide array of services required of an FBI translator. Additionally, FBI translators typically work closely with agents and analysts involved in the cases they support, ensuring a coordinated exchange of information and ideas related to the case.

Prior to being hired or placed under contract by the FBI, all translators undergo a series of language examinations in order to ensure the required level of proficiency in the foreign language and English. Once on board, a translator's work assignments are routinely subject to review by a senior translator in accordance with the FBI's quality control program.

3. **The written testimony of Steve Emerson, who testified on the second panel, concluded "...there needs to be a more comprehensive government investigation into Saudi conduits for terrorism and Islamic extremism."** Do you agree with his assertion?

Response:

The FBI is investigating terrorists and terrorism plots and activities regardless of location. While the status and results of those investigations are classified, the FBI has increased resources to fight the global war on terrorism and has seen precedent-setting cooperation from the Saudis. Some of the FBI's new resources are:

The Terrorist Financing Operations Section

Prior to the events of September 11, 2001, the FBI had no dedicated mechanism to provide a centralized approach to terrorist financial matters. The Terrorist Financing Operations Section (initially called the Terrorism Financial Review Group) was created immediately following the events of September 2001 to examine the financial dealings of terrorists and terrorist organizations. The broad mission of the Terrorist Financing Operations Section (TFOS) is to investigate, prosecute, disrupt, and dismantle terrorist-related financial and fund-raising activities. "Following the money" plays a critical role in identifying those involved in criminal terrorist activity, establishing links among them, and developing evidence of their complicity. Financial trails can be exploited to identify previously unknown terrorist cells, uncover potential terrorist activity/planning, and prevent potential terrorist acts. In forming TFOS, the FBI built upon its traditional expertise in conducting criminal financial investigations and its long-established relationships with domestic and international financial services communities.

TFOS has engaged in extensive coordination with foreign governments, leading to joint terrorist financing investigative efforts throughout the world. These joint investigations have successfully targeted the financing of several overseas al-Qa'ida cells. The newest such venture, the Joint Saudi Financial Investigative Unit, has combined the investigative powers of the Mabahith, the FBI, and the Treasury Department. Furthermore, with the assistance of relationships established with the central banks of several strategic countries, successful disruptions of al-Qa'ida financing operations have been accomplished in several countries.

Creation of the Arabian Peninsula Unit

In late 2002, the FBI established a task force dedicated to the issue of Saudi Arabia. The task force was originally comprised of members representing the Counterintelligence Division (CD), the Counterterrorism Division (CTD), the Criminal Investigative Division (CID), and the Terrorist Financing Operations Section (TFOS), but has since been formalized into the Arabian Peninsula Unit, International Terrorism Operations Section, CTD. This Unit will seek information concerning threats to U.S. security originating in this region and define strategies to address this threat, recognizing that training, finances, recruiting, logistical support, pre-attack planning, and preparation are all required components of terrorist operations.

Post-Hearing Questions for the Record
Submitted to Richard Newcomb
From Senator Frank Lautenberg

"Terrorism Financing: Origination, Organization, and Prevention"

July 31, 2003

1. **Could you please describe to us the Administration's efforts since 9/11 to block the flow of funds through the underground hawala system from reaching al-Qaeda and other terrorist groups of global reach? I am particularly interested in your assessment of what efforts have worked, and which have been less successful. Can the hawala system be successfully integrated into international banking and financial systems?**

Informal value transfer systems exist in many cultures, of which the hawala system is but one type. Informal value transfer systems have a few salient features, a key point of which is their informality. In other words, informal value transfer systems depend at least as much on the relationship of trust amongst the operators of a particular system as they do on any formal contractual agreements. In many cases, these bonds of trust are based on kinship affiliations or similar strong familial relationships. Informal value transfer systems are but one type of a broader class of entities that are often collectively referred to as money transmitters, and the class as a whole includes, for example, businesses that provide electronic wire transfer services.

Informal value transfer systems are less likely to be dependent on more formal financial systems, which are markedly more dependent on formal agreements among all parties. However, money transmitters can be and are partners with members of the international banking and financial systems. The center of these systems, with respect to funds transfers, is the payment system, which contains depository institutions as its key members. Money transmitters may utilize this payment system, as customers of banks, in order to settle their transactions.

In addition, the United States, as well as other countries, has in effect strong regulatory controls to guard against money laundering and terrorist financing in all types of money transmitters, including informal value transfer systems. In respect to controls against money laundering and terrorist financing, informal value transfer systems, like all money transmitters, have in the United States been integrated or combined within a common set of financial services providers subject to such controls.

Of course, regulations are but one part of this effort, and challenges remain. Enforcement action against entities operating outside the law is vital. On November 7, 2001 the U.S. designated the al Taqwa and al Barakaat networks which included a total of sixty-two (62) individuals and entities being designated pursuant to E.O. 13224. As reported in the Department of the Treasury's press release, dated November 7, 2001, the al Barakaat network moved money and which at its core was a hawala conglomerate operating in 40 countries around the world. The international community joined the U.S. in freezing al Barakaat's assets and isolating its access to the world financial system.

2. **Are you concerned that al-Qaeda has been financed in the past and continues to be financed by traditional, time-honored methods of rogue groups world-wide, such as bulk cash smuggling, diamond dealing, and global trade in gold and other commodities that are easily moveable and stored?**

Terrorists and terrorist support networks use individuals, charities, businesses, banks, informal transfer systems – including trade in commodities – and human couriers to raise and move money throughout the world. Which system will be employed depends upon convenience and potential scrutiny faced by the transactor(s). If a method for raising funds or a conduit for moving money is foreclosed to a terrorist support network, the terrorist support network will shift to a more convenient method for raising money – licitly and illicitly – and seek new or additional conduits for moving money – both by the international banking system and through informal transfer systems.

Appendix D of the recently-issued *2003 National Money Laundering Strategy* provides a detailed discussion of commodities-based money laundering, as well as terrorist financing. A copy of the *2003 Strategy* is attached to these responses for your information.

3. **Are the multilateral initiatives intended to curtail terrorist financing working? How successful are the anti-money laundering programs run by the UN Counter-Terrorism Committee, the International Monetary Fund, the World Bank, and the Financial Action Task Force? Is the G-7 a good forum for international counter-terrorism endeavors?**

International cooperation is critical to addressing the threats of terrorist financing and anti-money laundering. To this end, we have a broad multilateral effort underway, as detailed in the *2003 Nation Money Laundering Strategy*, Goal 1. (As noted above, a full copy of the *Strategy* is being provided with these responses.) Our objectives are to deny terrorists access to the international financial system by blocking terrorist and illicit assets, establishing and promoting international anti-money laundering and terrorist financing standards, ensuring that countries implement these international standards, and focusing efforts on financing mechanisms suspected of being of particular use by terrorists. Internationally, we have implemented this comprehensive strategy on anti-money laundering and the combating of financing of terrorism (AML/CFT) in a number of international fora, with significant positive results.

Since September 11, 2001, both the G-7 and G-20 have been at the point of the international efforts to combat and stop the means and mechanisms of terrorism financing. At US urging, both bodies issued 'action plans' for countries to adopt appropriate measures both domestic and international necessary to curb terrorism at home and abroad. These efforts have been far-reaching, and have focused world attention on shortcomings and successes in the fight against terrorism financing. This work continues unabated, and the fight against terrorist financing and the alternative mechanisms of terrorist financing remains an important item on the G-7 and G20 agendas going forward.

We have found that the G-7 and G-20 frameworks have provided central points for discussion and review of policy, and it has allowed for quite rapid forging of consensus and then moving

forward quickly. At Dubai in September 2003 at the time of the IMF/World Bank annual meeting, G-7 Ministers of Finance met with non-G7 countries to discuss cross-border flows of charitable funds and the flow of remittances through informal financial channels, with the ultimate goal to support the efforts of these non-G-7 countries to build financial systems that are transparent and accountable. A follow up technical meeting is scheduled for late February. These types of outreach meetings hold significant potential for positive developments in meeting the challenges ahead on a multilateral basis.

Working with the international financial institutions (IFIs), we have made major progress in institutionalizing the international framework for comprehensive, world-wide assessments of the international Financial Action Task Force (FATF) AML/CFT standard. These developments reflect the urging of the U.S. and the G-7. In the fall of 2001, the IMF and the World Bank recognized the FATF Recommendations as the appropriate standard for combating money laundering and terrorist financing, and that work should go forward to determine how the FATF 40 should be made operational to the IFIs' work. As of late 2003, a pilot program was concluded, with over 50 country/jurisdiction assessments conducted by the IFIs, the FATF and the FATF style regional bodies, all using a common AML/CFT methodology based on the FATF Recommendations (40 + 8). This work has progressed successfully. Our goal is that the IMF and World Bank make such AML/CFT assessments a permanent part of their surveillance and oversight of country financial sectors.

The FATF has taken numerous important steps in addition to collaborating with the IFIs. For example, the FATF has partnered with the G-8 Counter-Terrorism Action Group (CTAG) to identify the terrorist financing vulnerabilities in key jurisdictions so that technical assistance can be delivered. FATF has also developed Interpretive Notes and Best Practices for compliance with international terrorist financing standards, including those that cover the freezing and confiscating of assets, alternative remittance systems, wire transfers, and charities. These papers clarify the standards and offer guidance on implementation. FATF has also published guidance for financial institutions to aid them in detecting terrorist financing.

The work of the United Nations on combating the financing of terrorism, particularly by the UN Counter-Terrorism Committee (CTC) and 1267 Sanctions Committee (Al-Qaida/Taliban Committee) has been an important component of the international effort to stop terrorism. As with all our efforts, however, we always seek ways to strengthen and improve the efficiency of such undertakings. Looking at the UN effort broadly, the US has been by far the largest contributor of names to the list of terrorists and supporters maintained by UNSCR 1455, yet as a result of our international efforts, many others are taking their own actions, pursuant to their own investigations, to crack down on the individuals and entities that support those terrorist networks.

Additionally, the UN CTC is a vital link in the mechanism of international cooperation focused on stopping terrorist financing – joining the FATF, the IFIs and the G-8 CTAG as part of that process. This process fosters information sharing, enhances the coordination of existing or planned multilateral assessments of country performance, and avoids duplication and maximizes the use of resources and human capital. As part of the process for identifying and delivering priority technical assistance, the UN CTC and the CTAG will provide input on priority countries and associated criteria.

4. Do you think the Administration has made use of the powers given to the Secretary of the Treasury under the Patriot Act of 2001 to designate individual foreign jurisdictions or financial institutions as being of "primary money laundering" concern to the United States?

To date, Section 311 has been used sparingly, though with great effect. The Secretary of the Treasury has designated three jurisdictions as "primary money laundering concerns" under Section 311 – Ukraine, Nauru, and Burma. Each of these designations was in conjunction with global multilateral action taken by the Financial Action Task Force to protect the international financial system from jurisdictions that are non-cooperative in the international fight against money laundering. And each of these actions was highly effective, resulting in almost immediate action – including the enactment of significant legislation – by the targeted countries in efforts to have the designations lifted. Moreover, in numerous instances the mere threat of the imposition of a Section 311 designation was sufficient to secure remedial action by targeted countries.

In addition to jurisdictional designations, the Secretary has recently designated two Burmese banks – Myanmar Mayflower Bank and Asia Wealth Bank – as "primary money laundering concerns" due to their links with narcotics trafficking organizations. This represents the first time Treasury has used its authority under Section 311 to target foreign financial institutions. The results have already been encouraging, as Burma has announced publicly that it is launching investigations into the two institutions. Treasury will continue to monitor financial institutions throughout the world and take action judiciously and strategically under Section 311.

Post-Hearing Questions for the Record
Submitted to Richard Newcomb
From Senator Daniel Akaka

"Terrorism Financing: Origination, Organization, and Prevention"

July 31, 2003

1. **The written testimony of Steve Emerson, who testified on the second panel, concluded "...there needs to be a more comprehensive government investigation into Saudi conduits for terrorism and Islamic extremism." Do you agree with his assertion?**

The Department of the Treasury agrees that it is important to continue to target all conduits for terrorism and Islamic extremism, including Saudi conduits. The United States, often working with the Saudi government, has actively pursued Saudi-based sources of financing for terror, many of which have been designated in the UN. For example, in March 2002, following a trip by then Secretary O'Neill, the U.S. and Saudi Arabia jointly designated the Al-Haramain Islamic Foundation branch offices in Bosnia-Herzegovina and Somalia. Six months later in September 2002, the U.S. and Saudi Arabia jointly designated and submitted for inclusion on the UN 1267 list Wa'el Hamza Julaidan, a known al Qaida associate. Most recently, on December 22, 2003, the Saudi and U.S. governments joined again to designate the reformulated Al-Haramain branch in Bosnia, which was renamed and operating as Vazir. These public, joint actions are important steps that the Saudi and U.S. governments have taken to stem the flow of terrorist funding out of Saudi Arabia.

The U.S. is also working with the Saudi government to improve its investigative and enforcement capacity and to develop joint investigative strategies. Improving Saudi investigation and implementation in these areas and institutionalizing joint efforts with Saudi authorities should significantly improve our collective ability to trace financial flows from Saudi Arabia. The recent establishment of the joint U.S.-Saudi terrorist financing task force is an important step in further coordinating and targeting terrorist financing emanating from the Kingdom of Saudi Arabia.

Examples of ongoing joint Saudi-U.S. initiatives involving OFAC include plans to provide training to appropriate Saudi Arabian officials in sanctions implementation. Training would focus both on the analytic process of identifying targets for possible designation and the follow-up activities required to maintain the effectiveness of a sanctions program. For example, OFAC would assist Saudi Arabia with setting up a compliance program to supplement existing Saudi Arabian Monetary Authority procedures for publicly notifying designations and assisting entities and individuals in complying with sanctions which prohibit dealings with designees. Training would also emphasize the need for fostering international cooperation and coordination to maximize the effectiveness of sanctions. The goal of this plan is to assist the Saudi Arabian government with establishing the necessary administrative and regulatory regimes in order for it to meet its U.N. obligations, as well as have the ability to designate on a regional or bilateral basis and to share information with other governments to support sanctions enforcement in foreign jurisdictions.

Post-Hearing Questions and Responses for the Record
Submitted to Dore Gold
From Senator Frank Lautenberg

"Terrorism Financing: Origination, Organization, and Prevention"

July 31, 2003

- Q.** Do you believe that the new Palestinian finance minister, Salaam Fayyad, who has brought a degree of transparency and accountability to the Palestinian Authority, will allow continued Saudi financing for Hamas? Does his finance ministry have any control over the funds channeled to the Popular Committee for Assisting Palestinian Mujahideen and the support committee for the al-Quds Intifadah, and the al-Aqsa fund?
- A.** During August 2003, Saudi funding of Hamas continued, largely by direct aid from Saudi-base charities, like WAMY and IIRO, directly to Hamas front charities. Salaam Fayyad, the new Palestinian Finance Minister, cannot deal with the problem of Saudi funding of Hamas alone. He is already confronting many interest groups as he has sought to increase the transparency of the Palestinian Authority. Other Palestinian ministries are also involved in the use of Saudi-supplied aid to extremist groups (see paragraph 3). Fayyad requires the backing of his most important political allies, Prime Minister Mahmoud Abbas and Muhammad Dahlan. In many respects, Fayyad's ability to confront this issue is dependent on the political status of both Abbas and Dahlan.
- Still there have been some recent notable developments. On August 28, 2003, the Palestinian Authority froze the bank accounts of 12 Hamas front charities, many of which receive aid directly from Saudi Arabia. This was a move in the right direction, however it was not complete. The Palestinian Authority did not go after the personal accounts of the Hamas leadership nor did it actually close down these charity groups. Had the Palestinian Authority actually proposed alternative funding mechanisms for those who received Hamas aid in the past, then the initiative would have looked more permanent. At present, under pressure from the Palestinian street, the Palestinian Authority could unfreeze these bank accounts as easily as it froze them.
- Funds from the al-Aqsa fund, intended for the families of suicide bombers and Palestinian prisoners continue to flow, in any case. This is handled by other ministries and not just the office of Sallam Fayyad. Yasser Arafat's office is involved, for moneys to these families can buy Arafat influence with Hamas and Islamic Jihad. There is also a social affairs ministry in the Palestinian Authority that can claim jurisdiction in this issue.
- Q.** How closely linked are the financiers of al-Qaeda with those of Hamas and other Palestinian rejectionist groups? Do you foresee, based on your vast political experience representing Israel, a convergence in the tactics and objectives of al-Qaeda and the Palestinian groups?
- A.** The overlapping conduits of funding for al-Qaeda and Hamas have been well documented over the last few years. There is the case of the Saudi businessman, Yassin

al-Qadi, who is suspected of having funded both. Certain banking institutions have also been associated with terrorist funding for both Hamas and al-Qaeda: Bank al-Taqwa and institutions belonging to al-Rajhi Banking and Investment Corporation. Apparently, Benevolence International, which helped al-Qaeda, and the Holy Land Foundation, associated with Hamas, also had a relationship.

It is important to remember that al-Qaeda is a network of terrorist groups that have cooperated in the past. Thus al-Qaeda has drawn resources from the Groupe Islamique Arme of Algeria, Chechen and Kashmiri groups, and Jemmah Islamiyya in Southeast Asia. Hamas-al-Qaeda cooperation until now has been minimal. Hamas dispatched some of its terrorists for training in Afghanistan.

Still it is important to remember that Hamas is cut from the same ideological cloth as al-Qaeda; both emerged from the Muslim Brotherhood, although al-Qaeda was more reliant on the input of militant forms of Saudi Wahhabism, as well. Both groups rely on the same Saudi clerics to justify their killing of innocent civilians by suicide bombers. But each group has had a very different focus; while al-Qaeda has been concerned with the global jihad against the West, Hamas is focusing on its own jihad to destroy Israel. Lately, Hamas has been taking a more global view. It used Pakistani-British Muslims in a suicide attack on the Israeli night-club, "Mike's Place" in Tel Aviv.

At present, Hamas has not joined al-Qaeda's global jihad, but it would be a mistake to rule out such a development occurring in the future.

Response of Jonathan M. Winer August 18, 2003
To Hearing Questions for the Record
Submitted from Senator Frank Lautenberg July 31, 2003

Question: You have referred, both in your testimony and in the Council on Foreign Relations Report, to the importance of the Saudi government "going public" or taking public action against terror financing. What exactly does the Saudi government need to tell its people? Does it need to take responsibility for past financing? Do the Saudis need to publicly discredit al-Qaeda's mission, as we finally saw them do in May of this year, after the attacks on the western compound in Riyadh? Will publicly condemning those who finance terrorism affect the public opinion of the Saudi people?

Response: The Saudi government routinely makes public statements regarding its efforts to counter terrorism, naming alleged terrorist criminals in press releases. For example, on August 5, 2003, the Saudi Ministry of Interior issued a release listing the names of persons who had sheltered wanted terrorists, as well as the names of terrorists who had themselves been arrested. The statement declared that security personnel are continuing to follow up on wanted individuals and warned all those who harbor, shield, or sympathize with wanted terrorists that they too face punishment. Similarly, the Saudi embassy in Washington frequently issues public statements about its efforts against terrorism. These too identify particular terrorists who have been the subject of governmental action. For example, a mid-July press release states that due to Saudi government action, Yousif Salih Fahad Al-Ayeeri, a.k.a. Swift Sword, a major Al-Qaeda operational planner and fundraiser, was killed on May 31 while fleeing from a security patrol; that Ali Abdulrahman Said Alfaghi Al-Ghamdi a.k.a. Abu Bakr Al-Azzi, considered one of the top Al-Qaeda operatives in Saudi Arabia and suspected of being one of the masterminds of the May 12 bombings in Riyadh, had been arrested by Saudi authorities, and that Turki Nasser Mishaaal Aldandany, another top Al-Qaeda operative and mastermind of the May 12 bombings, was killed along with three other suspects in a gun battle with security forces that had them surrounded.

While the audiences for such statements surely include public opinion in the US and the world, public opinion within the Kingdom is inevitably also affected by such statements. The process of naming alleged terrorists provides a warning to others that planning terrorist attacks is a risky business in which the planner risks both prison and execution.

Notably, the Saudi government has not chosen to undertake similarly public statements about terrorist financiers. (Swift Sword was an al Qaeda logistics manager, as well as a funds-mover, and hence is in a very different category from the wealthy Saudis whose resources were abused by Al Qaeda and then managed by persons such as Swift Sword.) The failure of the Saudi government to issue such statements raises the question of whether the Saudis actually are taking action against terrorist financiers, thus undermining whatever deterrent action that may arise as a result of the Saudi government's actions against terrorists themselves.

It does not currently appear that the Saudi government or senior government officials have intentionally funded al Qaeda terrorism of the kind that took place in the September 11 attacks, although Saudi support for Hamas may well have contributed to the facilitation of suicide bombings in Israel. Rather, a portion of the funds provided by wealthy Saudis, including some members of the royal family, to charities, appear to have been used to facilitate some terrorist recruitment and logistics. The Saudis need to acknowledge truth as sunlight is indeed the best disinfectant and to date, Saudi refusals to acknowledge such truths invite skepticism and suggest cover-up.

Accordingly, what the Saudi government needs to tell its people is the following:

- 1) We will not tolerate any financial support for terrorists, including any terrorists associated with Hamas, Hezbollah, Muslim Brotherhood, Islamic Jihad or any movement that seeks political change through attacks on civilians. (It is critical that Saudi statements specify such groups by name.)
- 2) We have identified several individuals in Saudi Arabia who have engaged in such actions in the past. These include (and here the Saudi government needs to identify individuals, such as Saudi businessman and U.S. designated terrorist financier Yasin Al-Qadi, who funded terrorist organizations).
- 3) We have seized accounts and properties from the following individuals, in the following amounts, including real property in the following locations. (To date, such announcements have been limited to aggregate reports.)
- 4) Anyone in Saudi Arabia who does business with these people or companies will themselves have their assets seized.
- 5) Terrorist finance violates Shari'a and will be punished under the laws of Shari'a. The following individuals will receive the following punishments as a result of their engaging in terrorist finance: (list individuals by name). The following charities will be closed as a result of their engaging in terrorist finance: (list charities by name). The following businesses will be seized by the government of Saudi Arabia as a result of their forfeiture to the government due to their owner having engaged in terrorist finance.
- 6) Terrorist financiers will be subject to the same punishments as terrorists, which under Shari'a as interpreted in Saudi Arabia may include public execution or amputation. We anticipate exacting such punishments against money launderers shortly.

Such public statements would underscore to the Saudi public that the Saudi government is serious in its efforts to combat terrorist finance, and is not merely engaging in blame shifting or cover-up. Such statements could also discourage wealthy Saudis from putting themselves and their assets at risk with charitable donations to charities in the absence of strict scrutiny of the activities of the recipients. Greater scrutiny of such recipients could over time have a profound impact in reducing the threat of terrorist abuses of the charities.

Finally, to win Saudi public opinion, the Saudis will need to take action to reduce the sense of grievance too many Saudis feel against the Saudi government, the Israelis, the United States, and others. Reducing grievances will require action by the Saudi government to strengthen domestic economic and political opportunity, participatory democracy, freedom of the press, and to combat corruption among Saudi's elites. Winning public opinion may also require greater Saudi economic support for social services in Gaza and the West Bank to displaced Palestinians through vehicles other than Hamas. Using Saudi money to visibly improve the lives of other Muslims through mechanisms that avoid militant and terrorist groups could constitute simultaneously both good public policy and good public relations for the Saudis.

Post-Hearing Question and Response for the Record
Submitted to Steve Emerson
From Senator Frank Lautenberg

"Terrorism Financing: Origination, Organization, and Prevention"

July 31, 2003

- Q. You have written extensively about the socio-cultural values of Wahabiism and how they are affecting the youth of Saudi Arabia. Do you believe that since 9/11 - - with the heightened attention globally to what is going on inside the Kingdom - - the Saudis are beginning to recognize that they have to change some of their educational materials, such as curriculum and textbooks? Do you think that the Saudi government has recognized that it is crucial for its own sustainability to make changes to the way Saudi youth are taught about foreigners, westerners, and non-Muslims?
- A. I believe that since 9/11, there have been some efforts to reign in the radical Islamic exhortations and incitement within Saudi Arabia. Unfortunately, the efforts have been episodic and sporadic at best—and they have usually been undermined or neutralized by other key decisions by Saudi officials to continue financing Islamic terrorist groups and the incendiary incitement promoted by Saudi clerics, Saudi broadcasts, and Saudi schools. The problem within Saudi Arabia is that no one speaks or acts in one voice: essentially the regime survives by allowing competing forces of power and finance to do their own thing. Therefore, those that are against incitement are only able to exercise influence to a point; that point is when they start to interfere with the agenda of other forces. In order to survive as an entity, Saudi Arabia has devolved into different centers of religious and political gravity. Each center of gravity is allowed to control things in its respective orbit as the price by which everyone shares in Saudi riches. So while there are some Saudi officials who truly recognize the dangers to their own existence by Islamic militant incitement, there are others who thrive on this incitement and are allowed to promote it without encountering any obstacles. Regarding changes in curricula and textbooks, there are Saudi text books published today that continue to promote hatred. Still, there are new textbooks promoted by more enlightened forces that promote tolerance and pluralism.

